

THE AMERICAN REVIEW OF REVIEWS

EDITED BY ALBERT SHAW

AN INTERNATIONAL MAGAZINE

December

Toll of the Tourist

American Painters To-Day

Our Navy and the Long Cruise

The Panic : { The Financial Crisis
The West's Revelation
The Trust Companies
The Clearing-House System

The Net Result at The Hague

Germany's Toy Industry

Books of the Season

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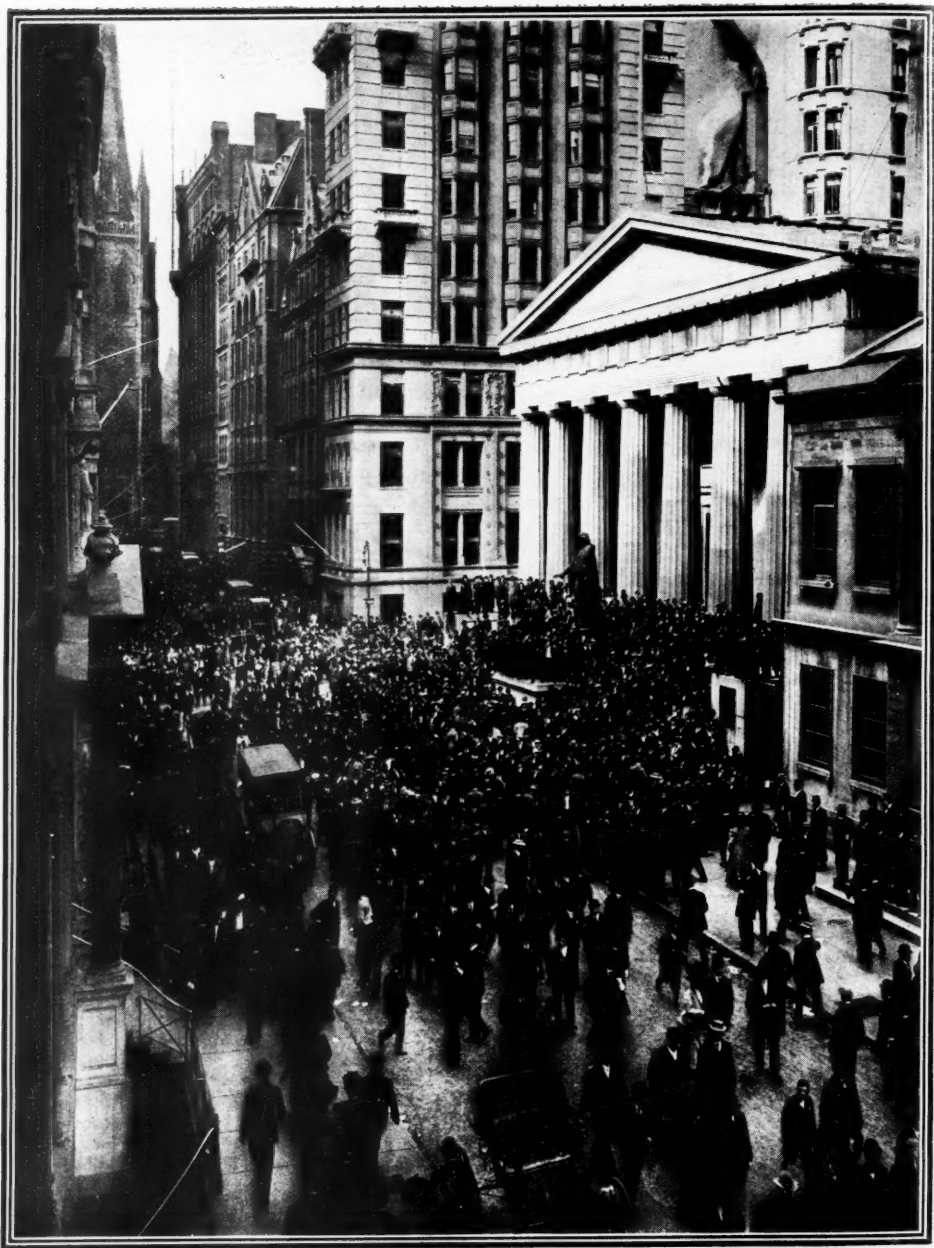
THE AMERICAN REVIEW OF REVIEWS.

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WALL STREET, NEW YORK, DURING THE BANKING PANIC.

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No. 6

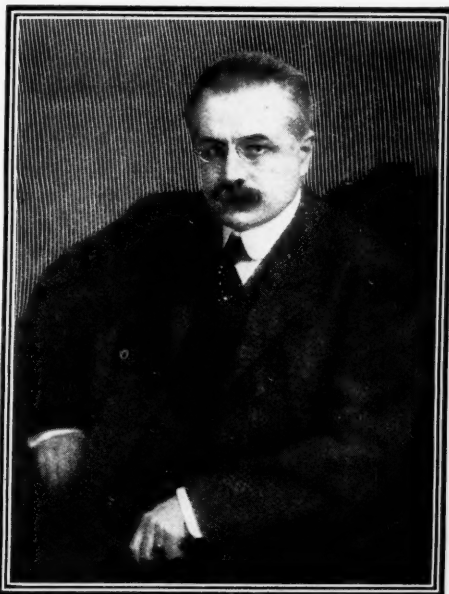
THE PROGRESS OF THE WORLD.

*Relief for
the Money
Markets.*

It was announced on the morning of November 18 that the Government at Washington had decided upon two important measures for the relief of the money markets of the country. One of these was the issue of Panama Canal construction bonds to the extent of \$50,000,000. The other was the exercise of a power conferred by Congress at the time of the war with Spain, under which the Executive may issue short-term notes to be marketed in such a way as to provide ready means for public needs. Under this authority it was determined to issue \$100,000,000 of notes bearing interest at 3 per cent. The plan, as worked out by President Roosevelt, Mr. Cortelyou, Secretary of the Treasury, and the other members of the Administration, provided for the use of these new bonds and notes as a basis upon which the banks could issue new currency and thus assist in the restoration of normal business conditions.

*What
Had
Happened.*

To the reader wholly unfamiliar with financial and business affairs it is not altogether easy to explain things that have happened within the past few weeks. From the standpoint of the ordinary thrifty individual who had some money deposited, whether in an ordinary bank, a savings bank, or a trust company, the thing apparent was an infectious sort of fear. It spread from New York across the country with great rapidity, until it assumed the form of a veritable panic on a continental scale. Certain banks and trust companies had failed and had closed their doors against depositors who were trying to get their money out. This led people to feel that other banks and trust companies might also be in trouble, and an unusually large number of people on one pretext or another began to draw out their deposits. Weak institutions soon had their closet skeletons exposed when



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HON. GEORGE B. CORTELYOU, SECRETARY OF THE
TREASURY.

this ordeal had to be faced. Strong institutions, on the other hand, were compelled to band themselves together for mutual protection, because an unreasoning sort of dread is sometimes communicated from one depositor to another, so that a perfectly sound and well-administered bank may be subjected to demands that it could not meet without delay. Our clearing-house article,—on page 684,—explains in detail.

*Banks
and Their
Functions.*

It is the business of banks to lend money to the commercial community upon safe security and upon the established credit of reputable business names and reputations. If a bank kept



A GERMAN VIEW OF THE PANIC IN WALL STREET.
From Kladderadatsch, Berlin.

in its vaults all of the money that its depositors bring to it it would miss its functions altogether, for it is not the business of a bank to withhold money from circulation by locking it up in the vaults, but to keep as much as possible of the money of the country moving in the channels of trade. In ordi-

nary times, taking things on the average, a bank takes in as much money from day to day at the window of the receiving teller as it passes out at the window of the paying teller. It is merely necessary to keep on hand a certain percentage of its resources as a reserve fund to meet possible emergencies when demands for payment are much in excess of current deposits. The great bulk of the resources of the bank, meanwhile, is supposed to be placed in the hands of business people in the form of interest-bearing loans. No legitimate condition of business is ever going to compel all depositors to make a wild rush at the same time to draw their money out of all the banks.

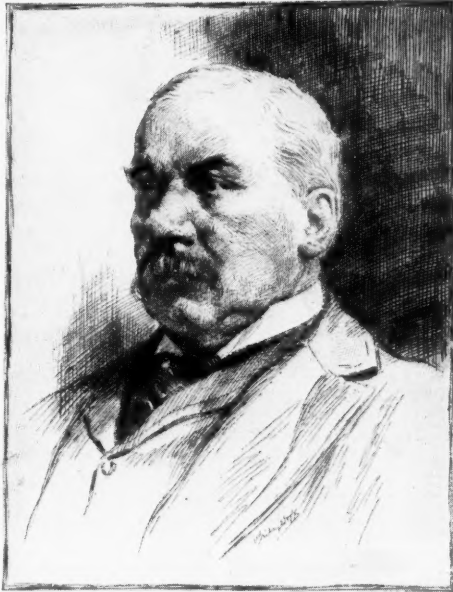
*Panics
and Their
Nature.*

When such a rush occurs the reasons are psychological. People have become panic-stricken with the idea that the banks are unsafe and that they must get their money out at the quickest possible moment. The money once out is, under such circumstances, hoarded until the people are in a different state of mind. They lock it up in safe-deposit boxes, or hide it in various ways about their homes. It is thus taken out of the channels of business circulation, and there ensues,—if such a movement is widespread,—a condition that makes what is called a currency famine. A great part of the ordinary business of the country is carried on by means of what is known as credit. Thus, in the autumn, all over the country there are producers of corn, wheat, cotton, and other natural products who are in the habit of selling their crops at the nearest market town to dealers who pay them in cash. These dealers in turn sell to the large market centers, and the crops are thus distributed for domestic and foreign use. This series of transactions, known as the "movement of the crops," rests in large part upon the banks, which are accustomed to advance the money with which to pay the farmers and the local dealers. The crops are so vast and so valuable that the sums of money engaged in marketing them are also enormous.

*"Credit" and
Ordinary
Business.*

But the banks in turn are dependent upon their regular depositors for the greater part of the volume of money they are able to lend for the purpose of facilitating this vast crop movement and other analogous transactions, such as the distribution of the winter's supply of coal, of dry-goods and general merchandise, and so on. And if people who usu-

ally deposit money in the banks are not only afraid to make fresh deposits, but are simultaneously scrambling to withdraw all that they have already deposited, it is evident that the banks cannot, with their usual confidence and freedom, supply the means with which to lubricate the marketing of crops and the distribution of other commodities. Furthermore, the great majority of industrial and manufacturing establishments are dependent to a considerable extent upon the use of borrowed money for what is known as "working capital." The manufacturer has to make large purchases of raw material and has to pay his workmen during the period that must elapse before he can sell his finished product and receive payment. He is likely to rely upon his bank to assist him in what is known as the "turn over" of his output. The wholesaler of merchandise pays the factory in notes having a time limit of several months, perhaps, and in turn he receives the notes of the retail merchants whose needs he is in the habit of supplying. The banks in both cases are in the habit of discounting the notes; that is to say, they lend the manufacturer money on the notes of the jobber, and they lend the jobber money on the notes of the retailer.



MR. J. PIERPONT MORGAN, WHO LED IN EFFORTS
TO RELIEVE THE PANIC.

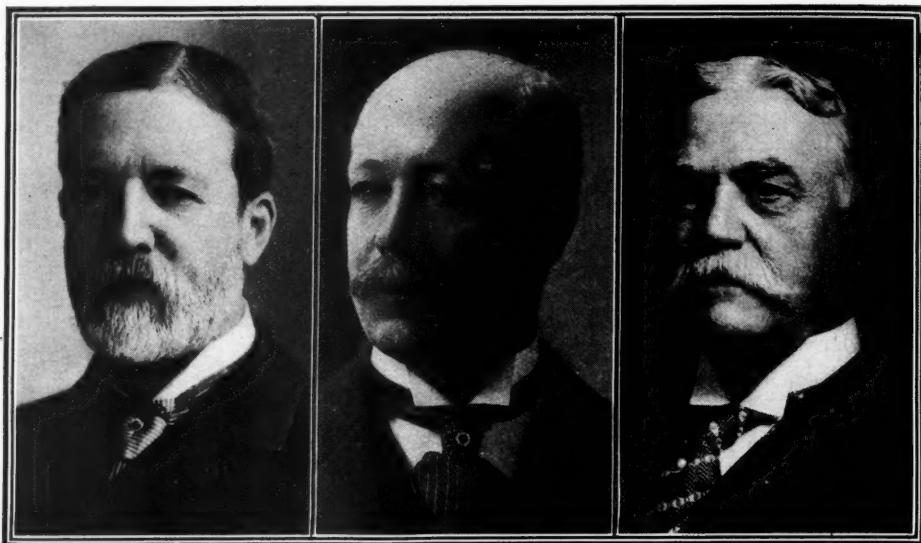
*Banks
and Current
Trade.*

If the banks are suddenly put in a condition where they cannot extend the customary credit to the manufacturers, the jobbers, and the mercantile community at large, it is easy on reflection to see what a frightful check may be placed upon the ordinary freedom of the so-called distributive process. Now it is just these phenomena that we have been witnessing for some weeks past in the United States. The subject has so many phases that when a little time has passed, so that it may be studied in the historic and objective way, various experts will write large books upon the monetary panic of 1907 and the general financial and industrial conditions that caused it and followed it. It will not, therefore, be useful to attempt now to anticipate in detail the studies and explanations that can only be made with real value when the events are a little more remote. There are, however, a great many things that can fairly be said at the present time. In the first place, it is well to remember that there have been certain signs of impending trouble for many months past. The article contributed by Mr. Byron Holt to our pages this month sets forth these matters in a remarkable way. He writes as an authority upon financial subjects, and other able writers treat of different phases of the business situation.



MR. GEORGE F. BAKER, PRESIDENT OF THE FIRST
NATIONAL BANK OF NEW YORK.

(Who aided Mr. Morgan and the Clearing-House
Committee.)

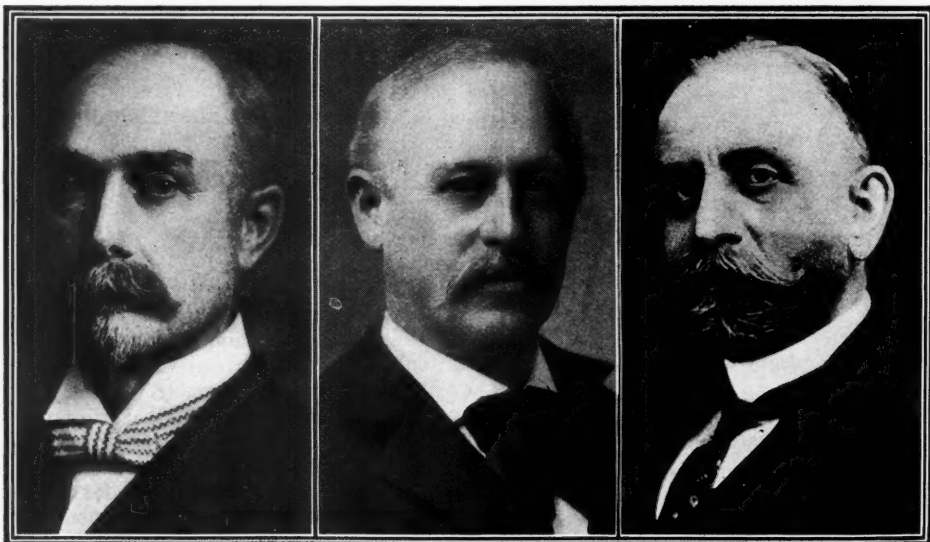


Alexander Gilbert.
(President of the Market and
Fulton National Bank.)

William A. Nash.
(President of the Corn Exchange
Bank.)

James T. Woodward.
(President of the Hanover National
Bank, chairman.)

Scarcity of Capital. The first and most important fact among those readily to be discerned has been the great scarcity of capital. It should be remembered that capital does not mean money or currency, but property in such available form that it can be loaned and applied freely to one purpose or another. Thus a man whose capital has gone into the form of investment in houses and lands cannot use that capital to invest in railroad bonds unless he may find a purchaser who will pay him for his real estate.

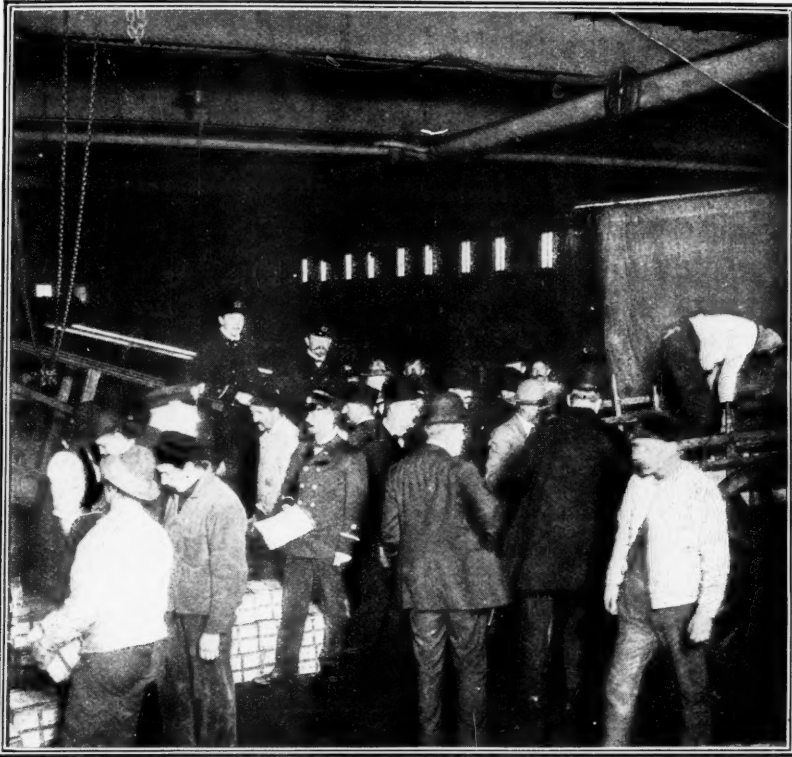


Photographs by Gessford, N. Y.
Alonzo B. Hepburn.
(President of the Chase National
Bank.)

Dumont Clarke.
(President of the American Ex-
change National Bank.)

Edward Townsend.
(President of the Importers' and
Traders' National Bank.)

THE SIX MEMBERS OF THE NEW YORK CLEARING-HOUSE COMMITTEE.



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UNLOADING MILLIONS IN GOLD AT NEW YORK FROM A EUROPEAN STEAMER.

When the free capital of a country available for investment in important enterprises such as the construction of railroads becomes to a great extent fixed in construction work, much of which has perhaps not yet begun to yield returns, it is not unusual that there should begin to appear the phenomenon known as scarcity of capital. This is exactly what has happened in the United States. We have been developing during the past decade at a rate beyond all precedent. The country has been so prosperous in its crops and its varied economic undertakings that there has been an increasing buoyancy and confidence. All over the country the price of real estate has risen. Throughout the West there has been great increase in the value of farm lands, and around New York and other cities there has been both real and speculative advances in the value of building plots. There has also been tremendous investment in the extension of trolley lines, in the opening of mines, in the development of factories, and in a thousand detailed ways. These things have been going on simultaneously in various parts of

the country, and no one has quite realized what they meant in the aggregate.

*Luxurious
Expendi-
ture.*

Moreover, alongside of these well-intended investments in the lines of business expansion, there has been a remarkable average increase in the general scale of living. The rich have become more luxurious and have spent hundreds if not thousands of millions of dollars in the construction of splendid palaces from one end of the country to the other. Hundreds of millions of dollars has been spent for automobiles alone, and a great deal of this money has been spent by those who could ill afford it. Such an outlook represents the withdrawal of capital much of which would otherwise be available for the carrying on of business enterprises. Again, there has been much more expended in the past two or three years for such beneficial though costly purposes as European travel than at any earlier period in our history. It is obvious that the same money cannot be spent at the same time for automobiles and

for the financing of the extension of trolley lines or the double-tracking of railroads.

*No Money
to Be
Borrowed.*

All the great railroad companies have been face to face with the need of the extension of their facilities to accommodate the immense growth of business. Yet they have not been able to borrow the money, and so their extension work has been for the most part postponed. Their inability to borrow money is not due to lack of confidence in the security of railroad bonds, although there might have been some feeling of this kind; but it is due chiefly to the fact that there are no large available supplies of capital free just now to enter into that form of investment. Instead of expanding our business and our credit by diverging straight lines, we have been expanding by diverging curved lines. In short, we have been pushing things forward in such a way that a slackening and a reaction were bound to take place. Just one year ago we published a remarkable article from the pen of the editor of the *Manufacturers' Record*, entitled "The Most Prosperous Period in Our History." It sets forth by means of statistics and of graphic devices a growth in our material development since 1900 that amazed even the most intelligent readers. Everything seemed so safe and sound that optimism everywhere prevailed, and few indeed were those who believed that any serious reaction could be experienced in the near future.

*Sound
and Solid
Progress.*

As matters stand, let us endeavor to make a clear distinction in our minds between the development of resources that has been valuable and that makes for the permanent enrichment of the country and the speculative abuses which are likely to attend a period of great prosperity. For example, the money that has been expended in the opening of farms and the improvement of agricultural conditions will fully justify itself. The same thing is true of all outlays for the improvement of transportation service. The hundreds of millions expended for the more advantageous production of iron and steel will be justified in the ultimate results. Nearly all that has gone into the vast expansion of cotton milling in the South and of varied manufacturing throughout the rest of the country will sooner or later give ample returns upon the capital that has been absorbed. Thus most of the great progress of the decade that lies

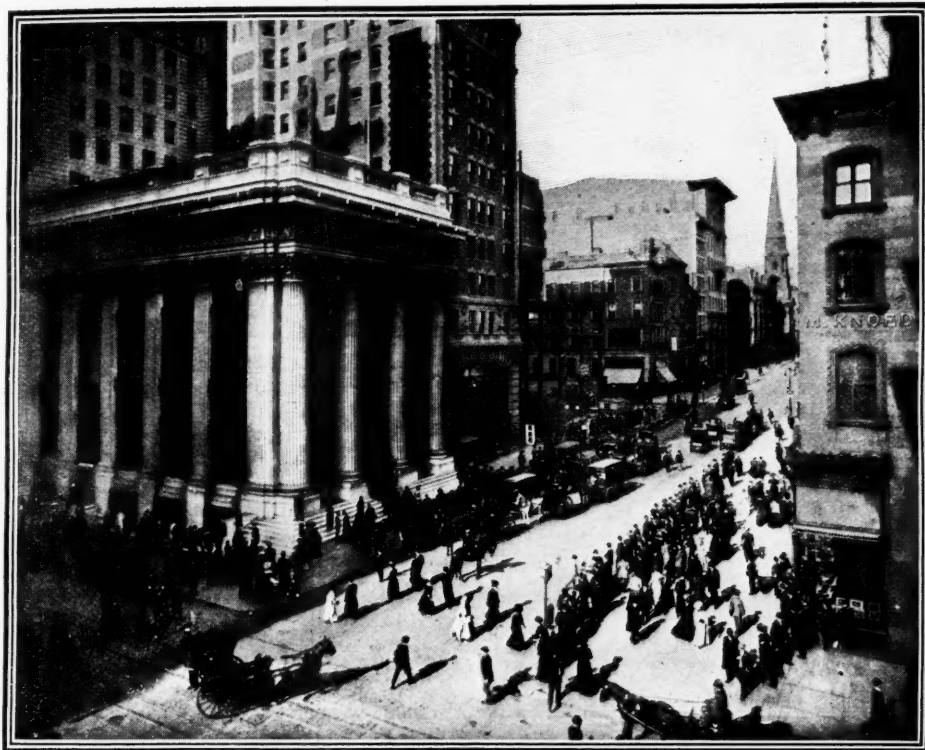
behind us is not merely apparent but real and permanent. The rate of advancement in material directions will be checked and retarded for a time, but what has been gained will not be lost.

*Causes
of
Reaction.*

The reaction has been attributed to several causes, but it should be remembered that it would have come in any case. The structure of credit had become so much inflated that the basis of available capital upon which it rested could no longer support it. With the tendency to do business in the large way, there has been a corresponding tendency to center the control of business in New York in association with the center of financial operations. The amalgamation of railroads into large systems has brought the control of transportation into Wall Street. The oil business, the sugar business, the steel business, the tobacco business, and a great many other leading industries are practically controlled from offices located in the financial district of New York City. The chief insurance companies of the country, with their assets reaching into the hundreds of millions of dollars, have their headquarters in that same financial district. The great insurance companies, railroad companies, and industrial companies are now controlled by a set of men who also control the great banks and trust companies of New York City. It is easy to see, therefore, when one stops to reflect, how anything that tends to throw distrust upon the management of one of these sets of interests must affect other sets of interests in the public mind.

*Too Much
Wall-Street
Control.*

The insurance investigations in New York played their part in awakening distrust, whether well-founded or ill-founded. Certain railroad investigations also had similar effects. Disclosures in the recent investigation of street railroad interests in New York City had also their measure of influence in arousing a feeling of distrust. This distrust played its part in keeping investors away from Wall Street, and thus the actual shortage of capital was increased by artificial causes. The companies that were extending telephone systems and other facilities could no longer market their bonds, and so they ceased to buy supplies, especially copper. Then followed the sensational drop in the market price of copper, causing a collapse in the market for copper mining stocks and affecting very directly certain banks and trust companies



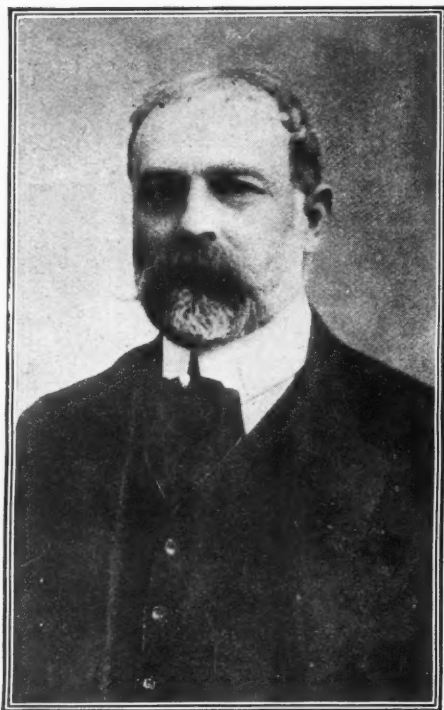
THE FIFTH AVENUE OFFICES OF THE KNICKERBOCKER TRUST COMPANY.

which had been supporting copper interests. It is needless to follow the ramifications that ensue. When all sorts of enterprises seem prosperous and their shares have a high quotation in the stock market, the banks and trust companies are in danger of assuming that there can be no end to flush times, and that these stocks are all safe security for loans of money. And there is a special danger that the officers of banks and trust companies will take this roseate view,—if it happens, as is the case in New York, that the same set of men are acting as the promoters of industrial and mining enterprises, and as the directors in such companies, who are also the directors and officers of the banks and trust companies.

Speculation and Finance. Under such circumstances, when an industrial collapse or two occurs, there is almost sure to be disclosed some weak point in a bank or trust company. This is just what happened in New York. Articles contributed to this number by capable experts in the pages that

follow give many details of what happened, and it is needless to recount them here. But the principle should be pointed out. Certain men engaged in highly speculative business enterprises, and using a great deal of money borrowed from banks and trust companies with which they were more or less directly connected, were so unfortunate as to suffer a virtual collapse of their speculations. This led to the collapse of the financial institutions which had supported them. A series of disasters came to its climax with the closing of the doors of the great Knickerbocker Trust Company. Doubt had been cast upon its condition and it could not meet the drain that followed. It had deposits to the amount of about \$70,000,000, and most of this money of innocent and trusting people had been loaned out on widely varying kinds of security.

The Great Knickerbocker Failure. It is well to assume that it was all loaned in good faith and in the belief that the securities deposited would protect the loans. But when the collapse came it was evident that there had been



THE LATE MR. CHARLES T. BARNEY.

great unwisdom and recklessness, and that this was due primarily to the way in which men in the control of financial institutions have thrown themselves into the development of other kinds of business. The head of the Knickerbocker Trust Company was Mr. Charles T. Barney, who was a man of business ability and of very wide interests outside of the trust company which he had personally built up to such great dimensions. After the closing of the Knickerbocker Trust Company late in October Mr. Barney had resigned from the presidency, and his tragic death in November gave a further shock to the business community.

Bankers and Their Duties. A prominent Chicago banker of great experience remarked a few weeks ago that he had never known a serious bank failure that was not due to the use of bank funds by officers or directors for outside enterprises, speculative or otherwise. He holds that nobody connected responsibly with a bank should ever directly or indirectly borrow that bank's money, no matter upon what form of se-

curity. It might indeed not be feasible to fix such a rule in the laws that regulate banking; but it is quite feasible for the stockholders of banks to insist that the officers and directors shall not borrow the funds, and it is still more feasible for the officers and directors themselves to agree that they will observe a conservative principle of this kind. The wreck of the financial institutions at Chicago that were controlled by Mr. John R. Walsh was simply due to the use of the resources of the banks for the carrying on of Mr. Walsh's other enterprises. It has become quite too frequent a thing throughout the country for men having large industrial or mining or other interests to obtain control of banks in order that they may have the easier access to the funds of the depositors. One of the lessons, therefore, to be taken to heart by the country at this time is the need of a sharper separation of banking control from the management of business interests which depend upon the borrowing of money from banks.

As to Guaranteeing Depositors. Just at this point it may be well to call attention to a suggestion by no means new but urged

afresh in various quarters. This suggestion is that the Government of the United States should guarantee the safety of deposits in the national banks. Our readers will remember that no matter how disastrously a national bank may fail, its circulating notes, that are current throughout the country as a part of our money supply, are not affected at all. The Government guarantees them and maintains a fund for their protection. This fund is collected in the form of a tax on the banks. It has been pointed out that a small additional tax would produce a fund that would justify the Government in guaranteeing the safety of bank deposits. It is not well to jump to the conclusion that this step ought to be taken. It is evident, however, that in a time of panic, when all banks are in some danger of having frightened depositors crowding at their doors, a Government guaranty of the safety of deposits would make a vast difference. People do not make runs on banks because they want their money instantly, but because they want to be sure of its safety. If the Government could offer protection to the depositors, as it does to the note holders, the national banks at least would be practically immune from the outbreak of depositors' panics. As for the State banks, it would seem possible for



THE "RUN" ON THE LINCOLN TRUST COMPANY OF NEW YORK.

the States, if they so chose, to offer protection to depositors, the same thing being true of savings bank.

*Need
of
Security.*

There was a time when a great part of the currency of this country was issued under varying State laws, and when the holders of notes felt no sense of security. All that has passed away, and to the ordinary citizen the Treasury notes, bank notes, gold certificates, and silver certificates that enter into the great volume of our circulating medium are all alike perfectly sound and valid, because Uncle Sam is behind them and will make them good. There is great question as to the propriety of pushing the functions of government very far in the direction of the ownership and operation of public-service enterprises. A very different extension of government agency, however, is that which lies in the line of the securing of monetary and financial conditions. It is a great public misfortune when the honest and industrious poor are so afraid of the savings banks that they rush to draw their money out in times like those of last month.

*Postal
Savings
Banks.*

Investigation would show that a great many people of foreign birth last month drew money out of American savings banks and sent it, to Italy and other foreign countries to be de-

posited in governmental and postal savings institutions. The situation in this country undoubtedly lends a fresh and immediate argument to the support of the urgent proposal of Postmaster-General Meyer that Congress should authorize the establishment of postal savings banks as well as of a system of parcels post. The Government is the one power and authority in existence that can fully guarantee and protect the people's savings. This is not said in criticism of the savings banks of the United States, which as a rule are exceedingly well managed and very safe and sound. But the question is worth considering whether besides the establishment of a postal savings system some way might not also be devised for giving added State or Government security to the depositors in the existing savings banks of the country. The people are bound to associate in their minds the varied functions of banking with those of the monetary system. The whole tendency of the day is toward the use of bank-notes as a means for giving expansion and elasticity to our currency. That being the case, the banks must more than ever in the popular mind be regarded as peculiarly under governmental auspices. It would seem plausible, therefore, that the Government should try to find a way to give increased security to depositors, in order to lessen the chances of panic and of consequent industrial paralysis. The subject deserves study.

*How the
Tide Was
Turned.*

In the recent monetary stress the great bankers of New York, under the leadership of Mr. J. Pierpont Morgan, showed courage and power. The Clearing-House Association, made up of the leading banks, took measures to strengthen confidence and to uphold institutions which were in danger from persistent runs. These powerful financiers were able to add a good deal of relief by using their financial power to bring in many millions of dollars' worth of gold from the banking centers of Europe. But it was, after all, to the United States Treasury that every one looked for the largest and most decisive measures of relief. When the tension grew very severe, Mr. Cortelyou deposited large additional sums from the Treasury reserve in various approved banks. Mr. Ridgley, Comptroller of the Currency, placed a liberal interpretation upon the banking laws and induced banks to take out many millions of additional circulation upon the deposit of securities. President Roosevelt reassured the country by letters and statements expressing his confidence in the essential honesty and solvency of the banks and the general strength of the country's business conditions.

*The Final
Government
Coup.*

And when on the top of these measures and assurances came the announcement of the Government's plan to issue the Panama bonds and to market \$100,000,000 of short-term notes, the opinion of bankers and of newspapers throughout the country was almost unanimous to the effect that the crisis was safely passed. It was not the actual currency that was needed so much as it was the assurance that there was strength enough in reserve to meet emergencies. Knowing that the Government was so liberally behind them, the banks were able to pay out money more freely, and to show the kind of confidence that relieved the fright of depositors. It was

all something like getting a balking horse to forget the fear and delusion that had afflicted him with temporary paralysis. Nothing is steadier than a banking situation in normal motion. In that regard it is like a bicycle. The difficulty has been to get the machine moving again and under conditions of equilibrium as between income and outgo. It was natural enough that people should hoard money and be afraid of the banks when the banks themselves were so afraid that they resorted to every device in their power to keep depositors from drawing any money out. The situation was even worse on the Pacific Coast than in New York, and in some of the far Western States legal holidays were declared day after day in order to give the banks a chance to keep their doors closed and protect their reserves from being drawn out. The country expressed in many ways its appreciation of the decisive action of President Roosevelt, Secretary Cortelyou, and the Administration.

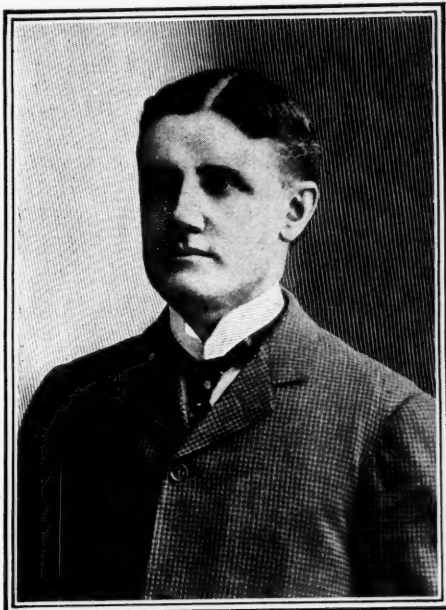
*Need of
Elastic
Currency.*

The restoration of something like normal conditions in the banking system, so that the country's currency circulates again with comparative freedom, removes the critical and desperate features of the business situation and makes it possible to take up and deal with certain problems that have to be



MR. J. PIERPONT MORGAN'S PRIVATE ART GALLERY, IN WHICH FINANCIAL CONFERENCES WERE HELD THAT SAVED TRUST COMPANIES FROM FAILURE AND THAT CONSUMMATED THE PURCHASE BY THE U. S. STEEL CORPORATION OF THE TENNESSEE COAL & IRON COMPANY.

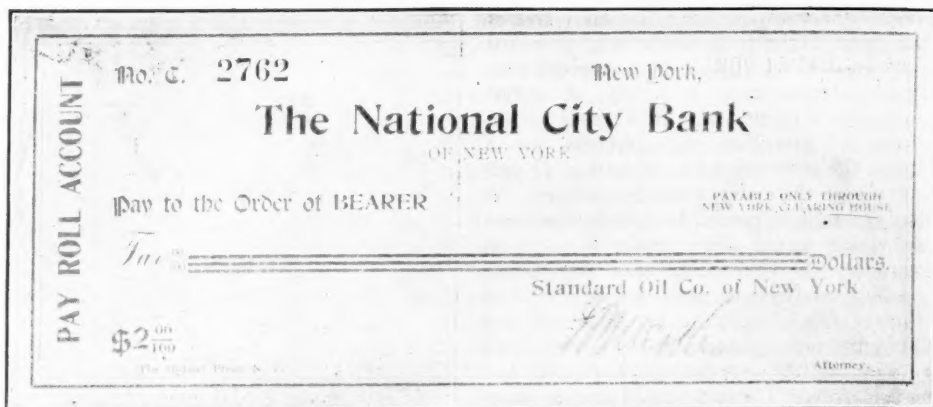
faced. For many years it has been known that there ought to be some way provided by which in times of stringency a special supply of currency could be issued. Congress could vote a large issue of Treasury notes on the old greenback plan, but this would expand the currency with no method of getting rid of the notes when not needed. A plan generally approved by bankers has been one which would allow banks to issue an emergency currency based upon their assets and business strength, upon which the Government should collect a tax so heavy that the banks would naturally retire the notes as soon as the emergency conditions had passed away. The tax would also be large enough to justify the Government in guaranteeing the safety of such notes in the hands of all holders. Plans for the issue of emergency currency have greatly varied in detail, and Congress, while having the matter under consideration for many years, has not been able to bring the matter to a conclusion. The Hon. Leslie M. Shaw, while Secretary of the Treasury, advanced excellent ideas on this subject, and Mr. Fowler, chairman of the committee in the House of Representatives having charge of questions of currency and banking, has given the subject great study, as have also the members of the Finance Committee of the Senate. Congress will assemble on the second day of December. There will be a strong demand on the part of the country for prompt action upon this question. It is true that the present emergency being now tided over, there is no need of hasty legislation. But the subject has been under discussion for so many years that some one of several excellent and well-considered plans ought to be adopted.



WILLIAM BARRET RIDGELY, OF ILLINOIS.
(Comptroller of the Currency.)

Who Punctured the Bubble?
A few weeks ago there was a persistent attempt on the part of certain interests to fix upon President Roosevelt all the responsibility for bringing about a state of financial embarrassment and a turn in the tide of national prosperity. It will not be the verdict of history that President Roosevelt precipitated a panic. It is in the nature of bubbles to end their alluring existence after a brief interval of time. It matters little who or what may have punctured the bubble. Certainly Mr. Roosevelt was not responsible for the throwing of the street-railroad system of New York City into the hands of receivers. Nor did he create that shortage of capital which finally made it impossible for the rail-

roads to finance their improvements and which was the chief factor in causing the collapse of the copper market and the shrinkage in the quoted values of the shares in the stock market. It is probably true, on the other hand, that the prosecutions of the Standard Oil Company, for which Mr. Roosevelt may be regarded as in part responsible, had much to do with the decline in the quoted price of the shares of that great monopoly. This, however, did not affect many people, since the Standard Oil shares are closely held by a few. There has been no marked personal equation in the attitude of the Roosevelt administration as regards the enforcement of Interstate-Commerce and Sherman Anti-Trust laws. The creation of the Bureau of Corporations in the Department of Commerce provided a great mechanism for inquiry into the facts regarding law violation. On the other hand, the development of methods and principles in the Department of Justice, following upon the activities of Attorney-General Knox, put that department into the business, so to speak, of enforcing the laws against restraint of trade. The President has shown no animus, but he has endeavored to enforce the law, and especially to strike at the real evils that the law was meant to correct.



A FACSIMILE REPRODUCTION OF A STANDARD OIL PAY-ROLL CHECK—GREAT QUANTITIES OF THESE HAVE BEEN PASSING CURRENT AS MONEY.

(See also article on clearing-houses, page 684.)

The President's Views. President Roosevelt does not at all believe in smashing large corporations or industrial combinations. He recognizes the tendencies of modern business. He has frequently expressed himself as simply desiring the proper public regulation of great interests for the sake of the general welfare. Mr. Roosevelt's views are very different from those of Mr. Bryan regarding corporations. Mr. Bryan is hostile toward a corporation if it is large. Mr. Roosevelt is hostile to it only if it is actually harming the business community by its methods. Mr. Roosevelt believes the present laws to be defective in that they put the honest corporation in danger of being prosecuted, even when its methods are beneficial rather than harmful. The time has come for some

extensions of the Interstate Commerce act and for some modifications of the Sherman Anti-Trust act. There are certain agreements among railroads that are reasonable and beneficial and practically necessary to their stable operation. Under the present law, as interpreted by the courts, it is not permissible to make such agreements. The law should be changed and railroads should be allowed to make certain agreements among themselves, under conditions of publicity and with the sanction of the Interstate Commerce Commission.

The Chicago Trust Conference. The great conference on combinations and trusts, held at Chicago late in October, under the auspices of the National Civic Federation,



AN EXAMPLE OF THE TEMPORARY SO-CALLED "WILDCAT" CURRENCY THAT SERVED A LIMITED PURPOSE OF CIRCULATION LAST MONTH IN VIEW OF THE MONEY FAMINE.

manifested in its discussions and in its final adoption of resolutions a remarkable development of sentiment in the country. The conference was widely representative, being made up chiefly of delegates appointed by the governors of all the States. In addition to these there were delegates from labor organizations, chambers of commerce, manufacturers' associations, and other bodies. The spirit of the conference was that of warm approval of the policy of President Roosevelt and the Administration. The resolutions as adopted were moderate in tone, carefully prepared and thoroughly discussed by a sub-committee, then by a large committee representing all the States and various special interests, and finally by the conference at large.

*Unanimous
Con-
clusions.*

It is highly significant that the resolutions were reported unanimously to the conference and after discussion were unanimously adopted. They agree that experience had shown the necessity of legislation. They call, first, for immediate action to permit certain railroad agreements. They hold, next, that experience has shown the imperfections of the Sherman Anti-Trust act, and they propose that various phases of the subject be referred to a commission to be provided for by Congress, to study various phases of the subject. The resolutions further declare that the law against combinations should be modified, first, as regards labor organizations and their agreements with employers; second, as regards farmers' organizations in some of their activities; third, as regards certain business and industrial agreements having the public interest as their object. The resolutions next recommend a thorough inquiry into the subject of federal license or incorporation for certain classes of corporations doing interstate commerce business. The functions of the Department of Commerce and Labor, according to these resolutions, ought to be enlarged so as to require "complete publicity in the capitalization, accounts, operations, transportation charges paid, and selling prices of all such producing and manufacturing corporations whose operations are large enough to have a monopolistic influence." Finally, the resolutions express the unwillingness of the conference to say anything about conflicts between State and federal authority on the ground that such conflicts will be determined justly by due process of law in the courts.

No such resolutions as these could possibly have been adopted in a similar conference three years ago or five years ago. They show a remarkable disposition to deal frankly and reasonably with the great economic problems of our time. The ability of this conference to agree in the expression of certain principles ought to help Congress in its more difficult task of working out the actual legislation needed to put those principles into effect.

*Some
Results of
the Panic.*

It is evident that the financial crisis will not only have checked the development of new business projects but will also have rendered business men timid in the carrying on of their accustomed volume of business. We have therefore entered upon a period when judgment and caution and care will be requisite. We have been witnessing a period of steadily advancing prices. While the demands of labor have been great, it is to be remembered that the cost of living has also sharply advanced. The standards of comfort have been so gradually though steadily increased, that the ordinary family would feel it a hardship to live as families of like condition lived fifteen or twenty years ago. These facts make a period of business depression seem a deeply serious thing after so many years of continuous prosperity. We have grown accustomed to a situation in which there was ample work for everybody at good wages, so that the scarcity of men in the labor market seemed the only limit upon the further rapid development of many enterprises.

*Immigration
and
Labor.*

One of the first effects of the changed condition will be the falling off in the tide of immigration. The flow of foreigners to our shores has never been so large as during the past two years. Just now the movement is much larger in the opposite direction. We have always a large supply here of floating labor. There are a great many men without families who work three-quarters of the year and then return to Italy or elsewhere abroad to spend the winter. Last month witnessed an unprecedented return movement of this kind. We shall doubtless have to note a good deal of distress during the coming months in consequence of a general curtailment of productive and manufacturing enterprises all along the line. It is to be hoped that employers will endeavor to take a cheerful view of the outlook and do everything in their power to keep their men at

work. The labor unions may find it necessary to make some concessions, in view of the fact that wages have as a rule been greatly advanced during the past few years.

*Dull Times
and the
Tariff.*

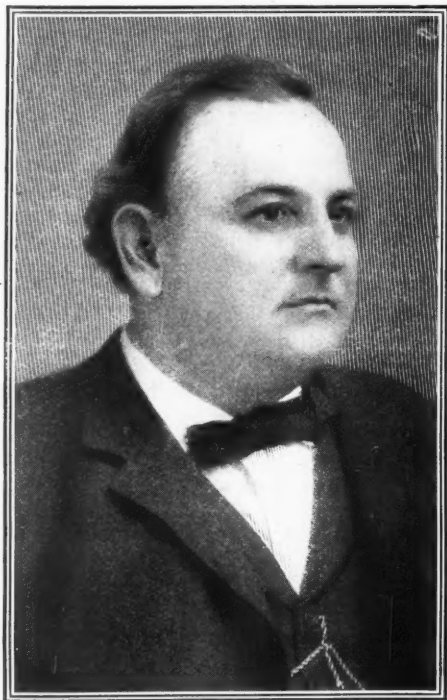
The slackening of a condition of domestic prosperity usually has the result of attracting attention to foreign markets. For several years past the home demand has been so great that in most lines the manufacturers could not meet their orders. When the home demand grows less there is a tendency to seek outside markets for the sale of the surplus. Such a con-

*Wood Pulp
and the
Tariff.*

There are certain instances of conspicuous tariff abuse which would seem ready enough for action without much further inquiry. It will be remembered that at the time of the great coal strike Congress was induced to put coal on the free list for the particular benefit of New England. Just now there is an urgent demand for the prompt placing of wood pulp on the list of non-dutiable articles. In the first place, the pulp mills are destroying our remaining forests with frightful rapidity. In the second place the making of white paper for the use of newspapers, magazines, and books seems to have been subjected to a monopolistic control which is forcing up the prices of paper and thus gravely abusing the protection afforded by the tariff. The newspapers of the country are demanding the abolition of the tariff on wood pulp, and many reasons of public interest would seem to justify Congress in dealing with this item as a separate and urgent matter. The forests of Canada are so vast that they can never be exhausted by the demand of the paper mills. Furthermore, a reasonable use of the forests that remain in this country is readily assured by the fact that the distance of the Canadian forests makes a differential in the form of freight rates that would afford ample protection to pulp and paper mills on this side of the international boundary.

*The
November
Elections.*

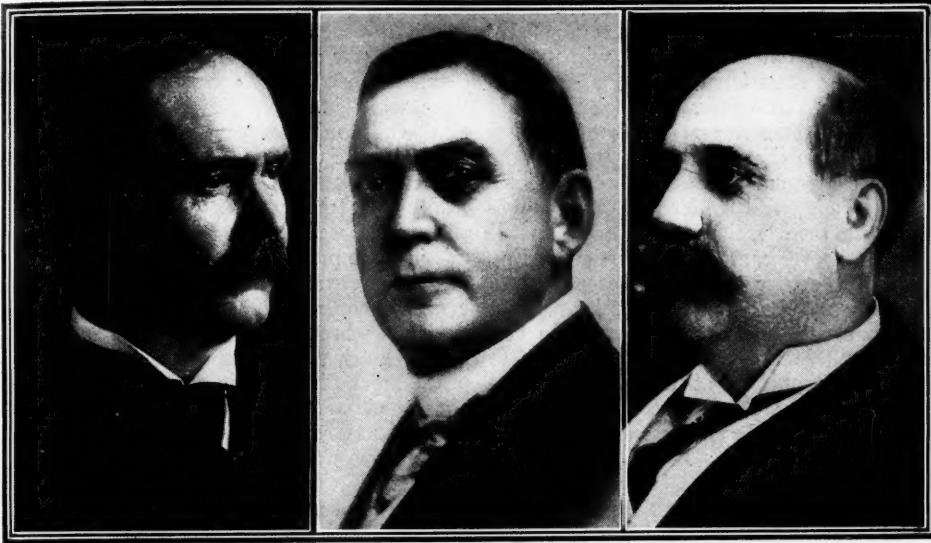
A summary of the results of the November elections will be found in our "Record of Current Events," on page 666. When placed in comparison with election happenings in corresponding off-years preceding a Presidential campaign, the party in power has done very well. Kentucky and New Jersey elected Republican governors, while Maryland and Rhode Island were carried by the Democrats. It was a foregone conclusion that the Republicans would carry Massachusetts. The fusion between Republicans and the Hearst Independence League in New York City to defeat Tammany was not successful. The contest for the mayoralty in Cleveland, Ohio, attracted national attention. The Hon. Tom L. Johnson was re-elected by the Democrats, and Congressman Burton will retain his seat in Congress, where he is a bright and shining light and a credit to his State. In San Francisco the reform movement was successful, and the Hon. Edward R. Taylor will continue his good work as Mayor. Further details will be found in our "Record" de-



HON. TOM L. JOHNSON.

(Re-elected Mayor of Cleveland, Ohio, for his fourth term.)

dition always precipitates a discussion of the tariff question. It is quite plain that with other things on hand, Congress cannot and will not attempt to revise the tariff before the Presidential election of next year. But it might well be possible to create a tariff bureau either in the permanent census organization or under the Department of Commerce for the sake of making careful studies of the schedules and preparing data for Congressional action at an early period.



HON. AUSTIN L. CROTHERS.
(Governor-elect of Maryland.)

HON. AUGUSTUS E. WILLSON.
(Governor-elect of Kentucky.)

HON. JOHN F. FORT.
(Governor-elect of New Jersey.)

partment. The elections, generally speaking, had more local than national significance. They indicate a growth of independent activity and a lessening of partisan ties.

*Congress
and
Politics.*

The first session of the Sixtieth Congress begins on Monday, December 2. This is the body that was elected in November of last year. It has a large Republican majority and will re-elect the Hon. Joseph G. Cannon, of Illinois, as Speaker. The session will extend almost to the time for holding Presidential conventions. Its work will naturally be more or less influenced by political considerations. It is hoped that the session will enact a law to provide for greater elasticity in the currency system. Some modifications of the laws under which interstate commerce is regulated are needed and will doubtless be asked for by the President in his message. It is noteworthy that Oklahoma has now completed all preliminaries and has become a State, and that her representatives in the lower house will appear, as well as her two new members of the Senate. We have reached the period when the newspapers and politicians are constantly discussing the Presidential outlook. Everything indicates the likelihood that Mr. Bryan will again receive the Democratic nomination. No one knows what the Republicans may decide upon. Unless conditions change greatly there will be a very

strong demand for the renomination of President Roosevelt. It is needless to add that he is not a candidate, although if the electoral college should choose him it is not to be supposed that he would refuse to take the oath of office. There is much talk of Governor Hughes, of New York, and one hears more frequently the name of Secretary Cortelyou. Secretary Taft, who is on his way home from the Philippines, having come by way of Vladivostok and the Trans-Siberian Railway, still remains the most conspicuous of the Republican possibilities. The American people enjoy the game of Presidential politics, and it seems likely that they will send their Republican delegates to the next convention with no idea as to what is going to happen.

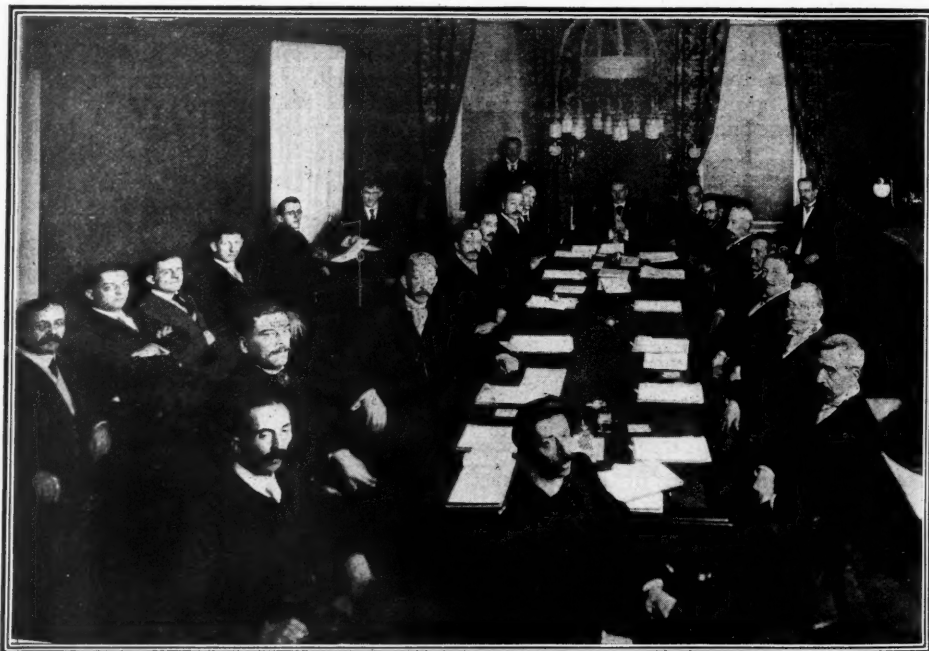
*Progress
at
Panama.*

Doubtless the President's message will make a brilliant showing to Congress of the work at Panama. Not only are sanitary and labor conditions in excellent shape; the actual work of excavation is proceeding at a rate beyond the most sanguine expectations, the best month's record having been made in October. As things are now proceeding no one will question the propriety of pushing the canal under direct Government control, and the question of finding private contractors will not be raised. The sale of the new issue of Panama bonds is not so much to expedite the work as to relieve the money market.

*The Central
American Peace
Conference.*

One of the historic events of a century took place in Washington last month without ostentation or sensational circumstances. After more than 100 years of revolutions and internal wars the five republics of Central America, upon the friendly suggestion of the United States and Mexico, have come together in a general conference to thoroughly discuss their various differences, and if possible to arrive at a clear understanding which shall secure permanent peace to them all, with a chance for the development of their marvelous natural resources. On November 14, in the room of the Bureau of American Republics, at the State Department, the Peace Conference of the Central American nations began its sessions. Secretary Root and Señor Enrique Creel, the Mexican Ambassador to Washington representing the two governments which had suggested the conference, formally welcomed the delegates and addressed them, express-

ing the friendly wishes of the American and Mexican governments and peoples for the success of the meeting and the conclusion of permanent peace in Central America. Mr. Root, while entirely avoiding the admonitory tone which might have wounded the sensibilities of the delegates, expressed with delicate emphasis the necessity for dealing practically with the important questions before the conference. Señor Creel, to whom is due in large measure the successful initiation of the conference, spoke in like tone. Whatever may come of the meeting, the very fact of having brought together representatives from these warring nations on an errand of peace under the direct influence of such wise and diplomatic counselors as Secretary Root and Señor Creel, with the authority of the two northern republics behind them, is certainly a great gain for civilization and international peace. Therefore, the conference now being held in Washington is one of the historic events of the century.



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THE CENTRAL-AMERICAN PEACE CONFERENCE IN SESSION IN WASHINGTON.

Secretary Root at head of table; Robert Bacon, Assistant Secretary, in window; Ambassador Creel, Mexico, at Mr. Root's right; Señor Joaquín Bernardo Calvo, Costa Rica; Dr. José Madriz, Nicaragua; Dr. Luis Felipe Corea, Nicaragua; Dr. Angel Uguarte, Honduras; Señor Policarpo Bonilla, Honduras; Señor E. Constantine Fiallos, Honduras; Dr. Luis Toledo Herrarte, Guatemala. Front center: Señor Victor Sanchez-Ocanya, Guatemala; Señor Federico Mejia, Salvador; Señor Salvador Rodríguez, Salvador; Dr. Salvador Gallegos, Salvador; Dr. Antonio Batres-Jauregui, Guatemala; Señor Luis Anderson, Minister of Foreign Affairs, Costa Rica; William I. Buchanan, United States; José F. Godoy, first secretary Mexican Embassy, Washington, seated at window back of Anderson.

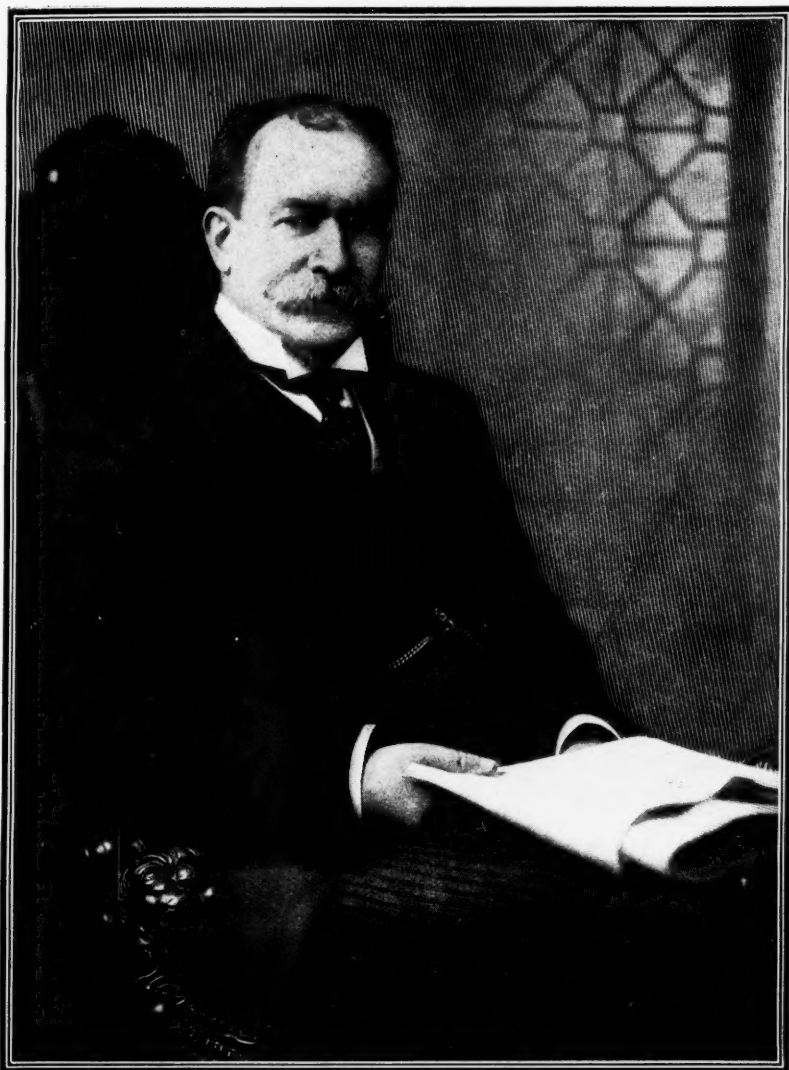


Photo by Marceau, N. Y.

HON. DAVID JAYNE HILL, OUR NEW AMBASSADOR TO GERMANY.

*Our New
Ambassador
to Germany.*

Elsewhere in this number will be found an admirable article from the pen of the Hon. David Jayne Hill upon the result of the Hague Peace Conference. Dr. Hill was a member of the American delegation, and our Minister resident at The Hague. He has now been appointed Ambassador at Berlin, a promotion amply deserved. Dr. Hill was First Assistant Secretary of State at the time of the former Hague Conference, and was especially conversant with everything done at that time.

He is a high authority upon international law and the author of an important historical work on the development of diplomacy and international principles. He is in this country at present on leave of absence and his appointment to Berlin came to him as an entire surprise upon landing at New York. The State Department, in our foreign services, is recognizing merit and securing a constantly higher average of efficiency. Dr. Hill's advancement, as a conspicuous example of this recognition, will please the American people.



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REAR-ADMIRAL "BOB" EVANS, IN HIS CABIN ON THE BATTLESHIP
"CONNECTICUT."

("Fighting Bob," who is here shown about to communicate with the rest of the fleet by wireless telegraphy, will command our battleships on their long cruise to the Pacific.)

*The Net
Result at
The Hague.*

In his excellent informing article on page 727 of this issue on the net results of the second International Peace Conference at The Hague, Dr. Hill points out the extent to which the conventions agreed upon at the Dutch capital by the assembled powers of the world make for international peace by restricting the field of war and definitely prescribing the conditions under which it may be waged, particularly the manner in which it shall be begun. The Hague Conference recognized, by an almost unanimous vote, the propriety and necessity of the contention that hostilities ought not to begin between two nations without a "previous and unequivocal announcement which shall have the form either of a declaration of war, accompanied by an explanation of its motives, or of an ultimatum with a conditional declaration

of war." This one almost unanimous expression of opinion, in the words of M. Bourgeois, chief of the French delegation, "made us realize that we had at last heard the whispering of the universal conscience, the first slow but regular and distinct beatings of the heart of humanity."

*The Fleet
and the
Pacific.*

Those
timid
souls

who fear that in the near future these United States of America are likely, if not certain, to come into armed conflict with another of the world's powers are asserting that we are unprepared for war, and that in case of a conflict our coasts and dependencies are certain to be attacked suddenly and without warning. These same timid

souls are finding fault with the President for demonstrating to the world that we are prepared to defend ourselves in case of attack (a contingency so remote that it may be called an impossibility) in sending to the Pacific Ocean our battleship fleet on a cruise which should have been taken long ere this. Too many of us seem to have forgotten that we have a Pacific as well as an Atlantic coast, and that the appearance of our warships off the coast of California is a perfectly proper and peaceful occurrence, no more unfriendly to Japan than the maintenance of battleship fleets in the Atlantic Ocean by France and Great Britain are unfriendly acts toward the United States. Never for a moment has there been among reasonable, responsible people, either in this country or in Japan, any real belief that the dispatch of our fleet to

the Pacific Ocean is done with anything more than the friendliest of feelings toward our trans-Pacific neighbors.

*The Sailing
of the
Fleet.*

The sailing of our battleship fleet, under command of Admiral Evans, for its long cruise to the Pacific, will take place from Hampton Roads, Va., on December 16. Its departure will be a noteworthy event, and the President and his cabinet are expected to attend the ceremonies of sailing. The itinerary includes stops at Trinidad, Rio Janeiro, Punta Arenas, Callao, Magdalena Bay, and thence northward to San Francisco. Although no official announcement has as yet been made, it is believed that the fleet will not make a long stay in the Pacific. It is unnecessary to state that no protest of any kind against the fleet sailing has come or will come from Japan. Meanwhile Secretary Taft will have returned to Washington (he is due to sail from Hamburg on December 7) after his highly significant and important visit to the Philippines and Japan, and his rather rapid journey across Siberia and the continent of Europe. Mr. Taft's reception in Japan, cordial as it was, did not indicate a more friendly feeling to the United States than that now existing in Russia, as shown by the ovations accorded our peaceful Secretary of War at Vladivostok and at other points along his journey through the vast Russian Empire.

*Japan's
Peaceful
Aims.*

During early November the Japanese Foreign Office for the first time broke its silence on the subject of American-Japanese relations. Baron Hayashi, Minister of Foreign Affairs, made a public statement (on November 7) "for the express purpose of giving an official check to misrepresentations calculated to excite the public in the two countries and stir up mischief." The Minister said, after deprecating the distortion of "facts that can be explained easily and naturally by the commonest kind of common-sense into the most far-fetched, impossible hypotheses":

A relieving feature is found in the happy fact that these ominous statements find no echo on this side of the Pacific. Notwithstanding persistent reports to the contrary, the people of Japan regard the situation with a sense of complete complacency and absolute confidence. It is true that at the time of the San Francisco troubles popular mortification and resentment were aroused, but our people knew that the hostile feeling in America was only local and temporary, and their confidence in the fairness and justice of Americans never deserted them, even

in these trying days. At present the situation in Japan is calmer than ever.

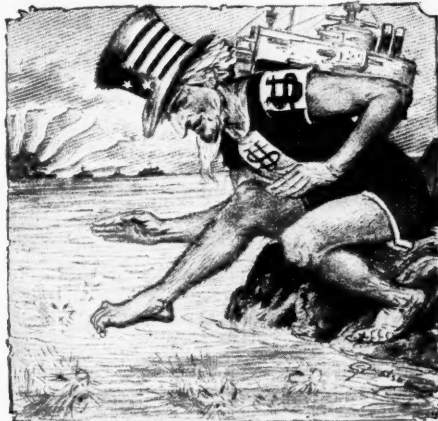
A further and even more convincing indication of Japan's peaceful intentions is to be found in her invitation just issued to all the nations of the world, most cordially including our own, to participate in a great international exposition, to be held at Tokio in 1912. To all except the shriekers for war it is evident that Japan is preparing for a campaign of peace and industrial development rather than for one of international strife.

*The World's
Parliaments
and Cabinets.*

National legislatures all over the world have been resuming their sessions in November and December. Our own Congress meets on the 2d of the present month. The British Parliament, the date for the reassembling of which was put at November 16, has been reprobated until January 28. The French Chamber met for the winter's term on October 22. The third Russian Duma began its official labors on November 14. The Hungarian Chamber reassembled on October 23. Other interesting constitutional administrative developments during the past few weeks have been the clearing of the political situation in Portugal, the appointment of a new ministry in Norway, and the constitution of a cabinet on European lines in Abyssinia by that remarkable monarch, the Negus Menelek.

*The Hard-Work-
ing British
Ministry.*

The illness of the British Premier, Sir Henry Campbell-Bannerman, which was reported to have become so serious by the middle of last month as to necessitate his early retirement



UNCLE SAM AT LAST VENTURES INTO THE PACIFIC. "Be careful," advises *Fischietto* (Turin), "there are unknown perils in the great sea."



A POPULAR GERMAN POSTER APROPOS OF THE VISIT OF THE KAISER TO LONDON.
From the *Illustrirte Zeitung* (Berlin).

from public life, has drawn the attention of Englishmen to the exceedingly onerous duties of the premiership in these days. Sir Henry has combined these duties with the leadership of the House of Commons, and in addition has been conducting an exceedingly strenuous campaign throughout the country in favor of curtailing the power of the House of Lords. Serious indisposition from overwork is the result. Not long ago Mr. Augustine Birrell, while still Secretary of the Education Board, almost succumbed from overwork; Mr. John Morley has taken the work of the Indian Office so seriously that his health is reported to be in danger; Sir Edward Grey has been running the Foreign Office at a pace which has quite astonished Downing Street, and Mr. Lloyd-George,

macy of Mr. Lloyd-George and the good sense and reasonableness of Mr. Richard Bell, M.P., secretary of the society, have effected the settlement. The demands of the society,—which has a membership of more than 100,000 and which stands for a class of more than 600,000 workers,—included a number of points, but laid special emphasis on the recognition of the union by the railways. Shorter hours and higher wages were also asked. The directors of the railways of the entire kingdom declined to accede to the men's demands, and early in October the members of the A. S. R. S. were asked to declare by ballot whether they favored a general strike to secure their demands. Out of a total of more than 85,000 votes 76,925 were in favor of a "strike" in

president of the Board of Trade, has found the duties of his post, particularly during the trying days of the threatened railway strike, so arduous that his doctors have issued special warnings to him about his health. The entire Liberal administration, in fact, has been pushing its work at a pace never before realized in Britain.

The Threatened Railway Strike in England. After a suspense of weeks England and the English people breathe more freely at the news that the long-threatened railway strike will not take place. Eleven of the leading railway companies and representatives of the Amalgamated Society of Railway Servants have finally signed an agreement for a six years' truce. The diplo-

case the companies refused to recognize the union. Several subsequent conferences between Mr. Lloyd-George and Mr. Bell, however, resulted in "an honorable compromise," the companies agreeing to the wages and hour demands of the men, not, however, specifically recognizing the union.

*Kaiser
Wilhelm
in England.*

The topics of popular discussion and interest in Germany during October and November were Kaiser Wilhelm's visit to England and the sensational trial of Maximilian Harden, at Berlin, on a charge of criminal libel brought by Count Kuno von Moltke. The German Emperor's present trip to London, while officially only a friendly, family matter, is being referred to by keen students of European politics as in reality simply one more chapter in the history of King Edward's diplomatic triumphs in his world campaign for peace and British prestige. Could there be a more fitting or glorious climax to the series of cordial "agreements" between Britain and France, Spain, Japan, and Russia than a complete understanding with the German Emperor, whose world aims have so long been supposed to run counter to those of His Britannic Majesty?

*A Popular
Royal
Visitor.*

The German monarch is deservedly popular in England, and from the tone of the speeches and articles in the press of both countries it is evident that cordiality between the governments at London and Berlin and between the English and German peoples has not only become a real fact but is becoming an international political factor of increasing importance. Sixteen years ago the German Emperor, in a speech at the Guildhall in the British capital, announced that his great and only desire was to preserve the world's peace. Last month he reaffirmed this desire and called upon the world and particularly the British people to witness that he had kept his word. If a real deepening of the friendly feeling between the two governments and the two peoples shall result from the visit of the German Kaiser to England a really solid work for the maintenance of the world's peace will have been accomplished.

*The Berlin
Court
Scandals.*

Some months ago it was announced from Berlin that the Crown Prince, Friedrich Wilhelm, had decided to work his way through the different governmental departments of

the empire, so that he might know all the machinery of administration by direct contact with it. This was cited as an evidence of his patriotism and public spirit. A far better illustration of the quality and spirit of this young man, however, was his braving of the iron-clad etiquette at Potsdam and bringing to the personal attention of his royal father the facts in the now famous, or infamous, von Moltke-Harden libel suit. Maximilian Harden, one of the most talented contemporary political writers in Germany, edi-



MAXIMILIAN HARDEN.

(The fighting German editor who has been stirring up corrupt court circles at Berlin.)

tor of the *Zukunft*, one-time friend of Bismarck, and fearless critic of even the imperial palace itself, has done a real service to German prestige at home and abroad by exposing the malign influence of the corrupt court camarilla and the immoral practices of more than one of the most exalted personages in German political life.

*A Corrupt
Court
"Ring."*

It has been a matter of common knowledge in Germany,—and in the rest of the world, for that matter, with the exception of the palace at Berlin,—ever since the days of Bismarck, that a ring of influential persons in close relations with the Kaiser were influencing him in their own interests, keeping from him (which it is quite possible to do in the case of every ruler whose life is prescribed in every detail, as is the case with European monarchs), all facts or even reports which might be detrimental to their private schemes. Chief of these irresponsible ad-



THE NEW GERMAN MINISTER OF FOREIGN AFFAIRS,
WILHELM VON SCHÖN.

visers at Berlin were Prince Phillip Eulenburg, a former Ambassador and a favorite of the Kaiser; Count Kuno von Moltke, military governor of Berlin and general-adjutant of the Emperor; and Count Hohenau, a brilliant army officer. Even Harden's stinging articles in the *Zukunft* failed to reach their mark until the Crown Prince insisted upon bringing them to the personal attention of the Kaiser.

A Sensational Trial. As the most effective means of making these men forever harmless, Harden accused them of certain private immoralities, a matter of the same degeneracy which at one time sent the English poet, Oscar Wilde, to the penitentiary. As a direct result of these journalistic exposures Prince Eulenburg has retired to private life. General Moltke, however, attempted to clear his reputation by bringing a libel suit against Editor Harden. The latter, after a trial unique in German legal annals for the popular interest excited and the high personages involved, was acquitted and Count von Moltke ordered to bear the costs of the suit. A great popular demonstration followed in favor of Harden. The affair, it is believed, will result in a purification of the court at Berlin and in awakening the Kaiser to the necessity for guarding himself against irresponsible advisers. Meanwhile Editor

Harden must share with Crown Prince Wilhelm the honor and credit of having exposed and broken up the notorious *Tafelrunde* (Round Table), which triumphantly withstood all the energy and resources of four successive Chancellors of the Empire.

*Russia's
Third
Duma.*

The third Russian Duma, which assembled in the Tauride Palace in St. Petersburg on November 14, begins its deliberations under radically different auspices from the first and second. This body accepts the *status quo* and does not preface its discussions with a declaration of war upon the existing order. Its predecessors regarded the present régime in Russia as detestable and its abolition as the first duty of all good citizens. The government, for its part, having disfranchised the majority of Russian electors, has at last succeeded in securing a Parliament which, while not reactionary, is far from being radical or even liberal. It is a significant fact, however, that in his opening speech Mr. Komiaikov, the new president, declared frankly that Russia is no longer an autocracy but a constitutional monarchy, that the majority of the Duma would unite on the doctrine that it is really a legislature with a common desire to reform Russia, that no party would take its orders from the government, that the first business of the Duma would be to look into the budget, and that it would then proceed to investigate all recently passed laws, particularly those relating to land and liberty. The general complexion of the chamber is different from that of its predecessors in that this third Duma contains no avowed Social Revolutionists. There are Social Democrats, the Group of Toil, the Constitutional Democrats (Cadets), Octobrists, Conservatives, and Reactionaries.

*The
Duma in
Session.*

The president of the Duma, Nicholas A. Komiakov, of Smolensk, who was chosen by a majority of 371 out of 379 votes cast, is an ex-bureaucrat and a Marshal of Nobility. He is nominally an Octobrist,—that is, a believer in a strict interpretation of the famous manifesto of October 30, 1905,—but leans rather toward the Conservatives than the Radicals. He is fifty-four years of age, a Slavophile, a poet, and a godson of the famous writer, Gogol. An examination of the budget occupied the first sessions of the Duma; an acknowledged deficit of \$94,000,000 must be provided for, with probably a much

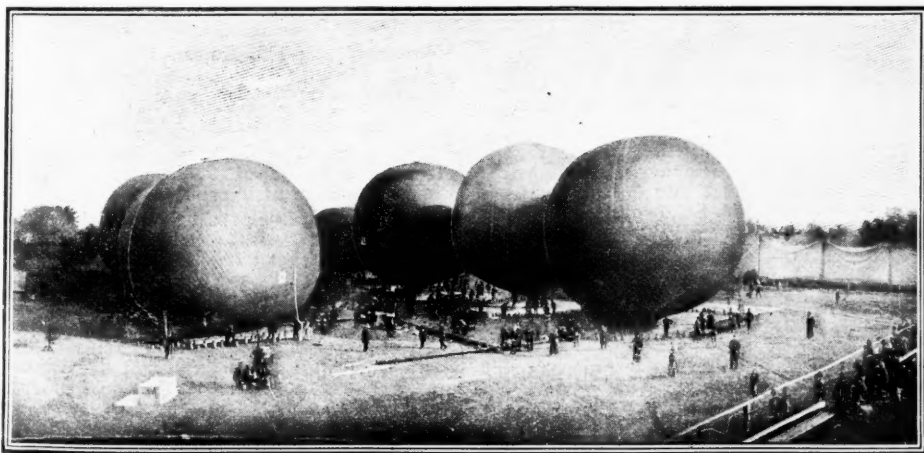
larger deficit to be acknowledged later on. Early in the session the Conservatives and Octobrists effected a coalition and elected their candidates, Prince Vladimir Volkonski as first vice-president, and Professor Baron von Meyendorf, of the Baltic provinces, second vice-president. Both these men are of liberal views. The secretary, however, I. P. Sazanovich, is an avowed Reactionary.

"Sky-Autoing" Remarkable, almost sensational, progress in aerial navigation has been achieved in recent weeks. Indeed, "sky automobiles" have been making their chauffeurs happy. The dirigible war-balloons *Nulli Secundus*, of England, and *La Patrie*, of France, have been answering to their helms successfully, and now our own Congress may be asked for \$200,000 to provide similar steerable balloons for the U. S. A. Signal Corps. At Paris, on November 9, the aeronaut Farman sailed his aeroplane on a circle of 999 meters, failing by only one meter to win the \$10,000 Archdeacon-Deutsch prize; and on the 18th he made a 1500-meter circle, but allowed his aeroplane wheel to touch the ground twice. On the 13th, Alexander Graham Bell launched into the water at Halifax his biggest tetrahedral "kite-ship," built up of 3393 small tetrahedrons, provided with a 20-horsepower motor, and "theoretically prepared to fly." But it is the old-fashioned, drifting, "round-gas-bag-and-basket," little altered during the century and a quarter since its first use by daring Frenchmen, that still interests scientists as well as sportsmen because

of the actual intimate knowledge its skippers get of upper air currents, their situation and behavior.

*Records
in
Ballooning.*

It was by accurate observation of favoring "slants," and quick rising and dropping to meet them, that Oscar Erbsloeh (on October 23) piloted the round German war-balloon from St. Louis to Asbury Park, N. J., 873.4 miles as the crow flies, thereby lifting the Gordon Bennett Aeronautic Cup from America to Germany. When Erbsloeh deflated the big *Pommern* after its forty-hour trip, fifteen of his forty-one ballast bags were unused; he might have traveled 500 miles further. By skilful "jockeying," however, he had proved that all the air currents from 300 to 10,000 feet above ground were moving east. He stopped his career, therefore, when the ocean seemed too near for safety, only six miles ahead of the French balloon *L'Isle de France*. The latter broke the world's duration record, with a flight of forty-three hours fifty-nine minutes. Previous to the international race, Captain Charles DeF. Chandler and J. C. McCoy, by a flight of 475 miles in the U. S. Signal Corps "No. 10," had won the Lahm Cup offered by the Aero Club of America to the first American balloonists to exceed 402 miles, the distance which won the Gordon Bennett Cup last year. But none of these balloons approached the world's distance record, made in 1900 by Comte de la Vaulx, 1193 miles. The American record is 1150 miles, achieved by Professor John Wise in 1859.



From the Pictorial News Company.

THE START IN THE GREAT BALLOON RACE AT ST. LOUIS.

RECORD OF CURRENT EVENTS.

(From October 20 to November 19, 1907.)

POLITICS AND GOVERNMENT—AMERICAN.

October 26.—Attorney-General Bonaparte holds that the Porto Rican Legislature has the right to regulate the method of expenditure of insular funds.

November 4.—The United States Supreme Court holds to be legal the Massachusetts law requiring street-railway companies to sell tickets to school children at half rates.

November 5.—Elections are held in thirteen States; Massachusetts, New Jersey, and Kentucky elect Republican governors; Maryland, Mississippi, and Rhode Island elect Democratic governors; in Pennsylvania, Nebraska, and New York the Republican candidates for judicial and other State offices are successful, the judicial candidates in New York being indorsed by the Democratic party also; in Cleveland Tom L. Johnson (Dem.) is re-elected Mayor, defeating Congressman Theodore E. Burton (Rep.); in San Francisco Edward R. Taylor, candidate of the Democratic party and the Good Government League, is elected over Daniel A. Ryan (Rep.); in New York county the Democratic ticket is successful over the "Fusion" movement of the Republican party and the Independence League; in Cincinnati Leopold Markbreit (Rep.) is elected over Mayor Edward J. Dempsey (Dem.); in Salt Lake City John S. Bransford, candidate of the American party, is elected; in Columbus Charles A. Bond (Rep.) is elected over Judge Duncan (Dem.); in Jersey City Mayor Mark M. Fagan (Rep.) is defeated by H. Otto Wittpenn (Dem.); in Toledo, Brand Whitlock (Ind.) is re-elected over R. A. Bartley (Rep.).

Following are the names of the governors-elect:

Kentucky.....Augustus E. Willson (Rep.).
Maryland.....Austin L. Crothers (Dem.).
Massachusetts.....Curtis Guild, Jr. (Rep.).*
Mississippi.....E. F. Noel (Dem.).
New Jersey.....John Franklin Fort (Rep.).
Rhode Island.....James H. Higgins (Dem.).*

November 11.—The United States Supreme Court in reversing a decision by the district court of the Eastern District of Arkansas reiterates previous rulings that the status of negroes depends upon the State courts rather than upon United States judges.

November 14.—William Jennings Bryan publishes in the *Commoner* a statement that he would accept the Democratic Presidential nomination next year but will not ask for or seek it.

November 16.—By proclamation of the President, Oklahoma and Indian Territory are formally admitted to the Union as the forty-sixth State under the name of Oklahoma; Charles N. Haskell is inaugurated as the first Governor.

November 19.—The United States Government assumes the cost of labor and service in

* Re-elected.

aiding San Francisco to combat the bubonic plague....The Alabama Senate, by a vote of 32 to 2, passes the House Prohibition bill, to take effect January 1, 1909....The Court of Appeals of New York declares the Recount act to be unconstitutional.

POLITICS AND GOVERNMENT—FOREIGN.

October 20.—In China imperial edicts are issued providing for provincial legislatures, whose powers for the present will be limited to debate.

October 22.—The French Parliament reopens.

October 23.—The Shah of Persia dismisses his cabinet.

October 29.—The Finnish Diet votes an appropriation to the Russian Government of \$4,000,000, in payment for exemption from military service.

November 1.—The Finnish Diet unanimously adopts a bill prohibiting the manufacture or importation of alcohol in Finland.

November 2.—Municipal elections in England and Wales result in crushing defeats to the Socialists.

November 3.—The Swiss people, by a vote of 300,000 to 250,000, approve the plan of army reform.

November 6.—The Netherlands Government has presented to Parliament a bill to reclaim 40,000 acres of land from the Zuyder Zee, at a cost of \$11,200,000.

November 9.—The Crown Princess of Germany gives birth to a son.

November 13.—Spain's navy reform commission recommends the expenditure of nearly \$40,000,000 for additions to the navy.

November 14.—The third Russian Duma opens in the Tauride Palace at St. Petersburg; M. Komiakov is elected President.

November 19.—The Korean Emperor issues an edict ordering his subjects to co-operate with the authorities in restoring peaceful conditions.

INTERNATIONAL RELATIONS.

October 20.—The Japanese Crown Prince leaves Seoul for Japan....Mogador is threatened by a division of Mulai Hafig's forces.

October 21.—It is reported that Mulai Hafig's forces have defeated the Sultan's troops and have captured General Bagdani near Hettat....Secretary Taft speaks at a dinner given by members of the Assembly at Manila.

October 22.—A dispatch from Tangier states that the French near Casablanca have suffered a serious reverse....Secretary Taft has a conference with Señor Osmena, president of the Philippine Assembly.

October 23.—Secretary Taft leaves Manila to inspect the defenses at Subig Bay.

October 25.—China has begun a grain-rate war directed against Japanese lines in Man-

churia, has cancelled the foreign concessions on the imperial railways, and has sent troops into the disputed boundary zone.

October 26.—Mr. Taft arrives at Baguio, in the Philippines.

October 28.—King Alfonso and Queen Victoria are warmly welcomed in Paris on their way to England.

October 29.—King Alfonso and Queen Victoria arrive at London.

November 1.—Japan has turned over the control of the mails to Peking to the Chinese authorities as a result of the refusal of China to abandon postal control.

November 2.—France, Great Britain, Germany, and Russia have signed a treaty guaranteeing the integrity of Norway.

November 6.—Secretary Taft speaks to the Filipinos at a dinner given by the Progressives of Manila on the subject of political parties.

November 7.—The Presidents of Nicaragua, Honduras, and Salvador meet at Amapala and declare for peace in Central America.

November 8.—Emperor William and the Empress Augusta leave Berlin for Flushing, where they will embark for England.

November 9.—Secretary Taft leaves Manila for Vladivostok.

November 11.—Emperor William and Empress Augusta Victoria arrive at Windsor.

November 13.—Emperor William, in an address in London, emphasizes his desire for the maintenance of the good relations between England and Germany.

November 17.—The Mexican Government cedes Magdalena Bay for three years to the United States as a coaling station....Secretary Taft arrives at Vladivostok.

November 18.—Secretary Taft is the guest of General Pflug at Vladivostok.

November 19.—A commercial convention is signed in London admitting British works of art to America at one-quarter less than the present duty and admitting samples of American commercial travelers free of duty in England....Secretary Taft leaves Vladivostok for St. Petersburg.

THE FINANCIAL SITUATION.

October 21.—Charles T. Barney resigns as president of the Knickerbocker Trust Company.

October 22.—Mayer & Co., a New York Stock Exchange firm, assign, with \$6,000,000 liabilities....The Knickerbocker Trust Company of New York suspends after paying out \$8,000,000....President Roosevelt speaks at Nashville, Tenn., on the financial situation.

October 23.—Receivers for three Westinghouse concerns are appointed in Pittsburgh....Secretary Cortelyou announces that \$25,000,000 of government money would be deposited in New York banks....The State Bank and Trust Company and the Neye & Orens Bank, located at Reno, Nev., close....There is a run on the Trust Company of America, New York, \$13,000,000 in cash being withdrawn.

October 24.—Call-money at 100 per cent. on New York Stock Exchange....Bankers' pool,

headed by J. P. Morgan, loans \$25,000,000 at 10 per cent....There is a run on the Lincoln Trust Company of New York....The run on the Trust Company of America of New York continues.

October 25.—The savings banks of New York City announce that they will require from depositors the legal notice of from 30 to 90 days before making withdrawals....Ernst Thalmann, Otto T. Bannard, and Henry C. Ide, all of New York City, are appointed temporary receivers of the Knickerbocker Trust Company....Bank suspensions in Brooklyn include the First National, Williamsburg Trust Company, Jenkins Trust Company, Borough Bank, Brooklyn Bank, and the Guardian Savings Bank....The United States Exchange Bank of New York City also suspended payment.

October 26.—New York Clearing House Association authorizes issue of loan certificates.

October 27.—Dispatches from all sections show confidence in the financial situation.

October 28.—Clearing-House Associations in all large cities decide to issue clearing-house certificates....Oklahoma banks close their doors following a proclamation by Acting Territorial Governor Charles Filson, ordering a legal holiday until November 2 because of the money stringency....The Bankers' Trust Company of Kansas City, with deposits of \$800,000, closes its doors....The municipal pay roll of Chicago is held up....The Bath Trust Company, of Bath, Maine, controlled by Charles W. Morse, suspends operations on account of the withdrawal of deposits.

October 29.—The New Orleans exchanges are closed for six days as a precautionary measure.

October 30.—New York City issues \$30,000,000 6 per cent. revenue bonds at par....Comptroller Metz, of New York City, announces that he will hold back salary warrants to prevent bank runs....George L. Rives is appointed receiver of the Knickerbocker Trust Company in the place of Otto T. Bannard....Kessler & Co., of Wall Street, assign.

October 31.—The three committees of the Knickerbocker Trust Company meet and consolidate into one committee....Comptroller Ridgely announces that \$1,339,000 increased circulation has been issued to national banks today.

November 2.—An important conference of prominent financiers is held at the home of Mr. J. Pierpont Morgan....Secretary Cortelyou orders the transfer of \$1,000,000 in government funds to San Francisco savings banks; the checking system adopted by the banks goes into effect in various cities.

November 3.—Governor Chamberlain of Oregon proclaims a legal holiday, so that banks may remain closed.

November 5.—Charles H. Treat, United States Treasurer, orders all sub-treasuries to cash pension vouchers, disbursing officers' drafts, and other obligations of the Government....The United States Steel Corporation acquires control of Tennessee Coal & Iron Company in the settlement of the affairs of the Trust Company of America.

November 7.—Gold engaged from abroad to-

day to amount of \$3,375,000; total to date, \$40,000,000.

November 9.—The Texas State Treasury suspends payment of warrants.

November 12.—Governor Hughes appoints a committee of bankers of New York City to suggest new banking laws.

November 17.—The President announces that the Government will issue \$50,000,000 Panama bonds, and interest bearing certificates of indebtedness to the amount of \$100,000,000.

November 18.—President Roosevelt and Secretary Cortelyou receive many congratulations on their plan for financial relief.

OTHER OCCURRENCES OF THE MONTH.

October 20.—Railway employees in Italy decide on a general strike. . . . Nine balloonists, representing United States, England, Germany, and France, start in the second international aeronautic contest in St. Louis.

October 21.—The town of Karatagh, in Russian Turkestan, is destroyed by an earthquake, the victims numbering about 14,000. . . . President Roosevelt makes a speech at Vicksburg, Miss.

October 22.—President Roosevelt makes a speech at Nashville. . . . A three days' conference on the subject of trusts and corporations is opened at Chicago, under the auspices of the National Civic Federation.

October 23.—A wireless message from the Marconi station at Glace Bay is sent to Clifden and a reply received within five minutes for both dispatches. . . . President Roosevelt returns to Washington from his trip to the South. . . . The German balloon *Pommern* is declared the winner in the Bennett cup contest.

October 24.—The steamer *Lusitania* arrives in Queenstown after a run from Sandy Hook of 4 days 22 hours and 46 minutes, lowering the eastern record nearly six hours.

October 29.—Edward P. Weston, the aged pedestrian, leaves Portland, Maine, to walk to Chicago in twenty-six days.

November 3.—Nearly 77,000 British railway employees vote in favor of a strike to obtain their demands.

November 6.—Richard Bell, M. P., leader of the movement of the British railway employees, announces a settlement of the trouble between the men and the employers. . . . The telegraphers' strike is called off as far as it concerns New York City.

November 7.—Judge Wellborn, at Los Angeles, Cal., fines the Atchison, Topeka & Santa Fé Railroad Company \$330,000 for rebating.

November 9.—The Crown Princess of Germany gives birth to a son. . . . Fire in the Great Northern Elevator at Superior, Wis., causes a total damage of \$2,268,000. . . . E. P. Weston, the pedestrian, reaches Syracuse.

November 13.—Lumbermen of the Northwest file a complaint with the Interstate Commerce Commission charging practically all the important Northwestern railroad companies with suppression of competition. . . . E. P. Weston, the pedestrian, reaches Buffalo.

November 15.—An immense flame, shooting up from the sun at the rate of 10,000 miles a

minute to the height of 325,000 miles, then breaking into fragments and disappearing, is observed at Radcliffe Observatory, Oxford.

November 18.—The United States Supreme Court decides that the consolidation of the cities of Allegheny and Pittsburgh is not in violation of the constitution.

OBITUARY

October 20.—Col. James W. Powell, U. S. A., retired, of New York, a veteran of the Civil War, 67. . . . Sir Charles A. Turner, formerly chief justice of the Madras High Court, 74.

October 21.—George Frederick Bodley, the English architect, 80. . . . Capt. Charles H. Allen, a Washington newspaper man, and veteran of the Civil War, 75. . . . Howard Saunders, the English ornithologist, 72.

October 23.—Chief Judge James McSherry, of the Maryland Court of Appeals, 65.

October 25.—Alexander Maitland, of New York, a prominent philanthropist, 62.

October 26.—Major Don G. Lovell, of Tacoma, a veteran of the Civil War, 66.

October 27.—Charles Henry Wilson, first Baron Nunburnholme, 74.

October 29.—Jenico William Joseph Preston, Viscount Gormanston, 70. . . . Gerald Massey, poet and historian, 79.

October 30.—Mrs. Caroline Dana Howe, the poet, of Portland, Me., 87. . . . Mrs. Ellen Elizabeth Harper, mother of the late President Harper of the University of Chicago, 75.

October 31.—Dr. Charles Mohr, a distinguished homeopathist of Philadelphia, 63. . . . Capt. John T. Sheppard, of Brooklyn, a veteran of the Civil War, 87.

November 3.—Dr. Alexander Caldwell, physician and philanthropist of Philadelphia, 63.

November 4.—Diego Barros Arana, the eminent historian and educator of Chile, 77.

November 6.—Brevet Brig-Gen. Thomas Ellwood Rose, U. S. A., retired, who led the famous escape from Libby Prison in 1864, 77. . . . Sophia Cruvelli, the Vicomtesse Vigier, at one time the leading opera singer of Europe, 82.

November 9.—Col. J. H. Estill, proprietor of the Savannah *Morning News*, 67.

November 10.—Lewis Emory McComas, former United States Senator from Maryland, 61.

November 11.—Ex-Judge William T. Elmer, of Middletown, Conn., 72.

November 12.—Gen. W. E. W. Ross, of Baltimore, a veteran of the Civil War, 70. . . . Mrs. Harriet Farley Donlevy, the first woman editor of a woman's magazine in the United States, 90. . . . Sir Lewis Morris, the Welsh poet, 74.

November 14.—Charles T. Barney, ex-president of the Knickerbocker Trust Company, of New York, 57.

November 15.—Moncure D. Conway, the eminent author, minister, and lecturer, 75. . . . Horatio Richmond Palmer, the author and composer, 73.

November 17.—Admiral Sir Francis Leopold McClintock, discoverer of the fate of the Franklin Expedition in 1859, 88.

SOME OF THE RECENT CARTOONS



A BAD STORM, BUT NO GREAT DAMAGE.

UNCLE SAM: "That was a pretty lively breeze, but I don't see that any of my best trees are injured."—From the *Saturday Globe* (Utica).



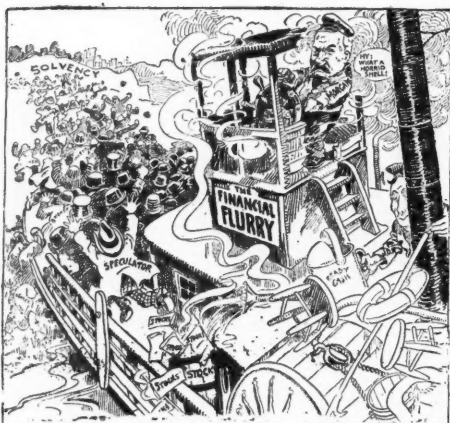
"HERE COMES THE TIDE!"

From the *Press* (New York).



THEY DON'T CARE IF HE NEVER COMES BACK.

The financial ballooning season is over for a good long spell.—From the *Journal* (Minneapolis).



J. PIERPONT BLUDSO.

"I'll hold her nozzle agin' the bank till the last galoot's ashore."—From the *Daily News* (Chicago).



THE DEMOCRATIC DOG IN THE MANGER.

Democratic leaders declare that if Bryan would stand aside the donkey would get a square meal.
From the *Journal* (Minneapolis).

MILLIONS OF REAL WEALTH.
From the *Leader* (Cleveland).

DIFFERENT RESULTS FOLLOW PERPETUAL CANDIDATES.

From the *Herald* (Washington).



GETTING OUT THE PAPER UNDER DIFFICULTIES.

From the *Ohio State Journal* (Columbus).



NOW THE PRESIDENT IS AFTER THE PAPER TRUST.

From the *Post* (Cincinnati).



TREED!

From the *World* (New York).



ANOTHER OHIO SON RISE.

From the *Press* (New York).



"CAN THAT BE OKLAHOMA?"

From the *Press* (New York).

THE PRESENT FINANCIAL CRISIS.

BY BYRON W. HOLT

THIS country is now passing through a money panic, a financial crisis, and a business depression.

The financial crisis began last January, but did not become pronounced until last March, when liquidation in bonds and stocks assumed alarming proportions. It was renewed in August and again in October. It is still on in Wall Street, but has extended into other fields, and severe liquidation is now in progress in commodities, real estate, commerce, general business, and labor. In all directions prices, rates, and wages are falling.

The money panic began on October 22, when the first public demonstration of distrust was shown by the great run on the Knickerbocker Trust Company, at Fifth avenue and Thirty-fourth street, and on its Harlem and downtown branches. It has continued to the present moment (November 18), though its panicky aspects are less in evidence because the commercial banks will cash only very small checks and the savings banks will permit withdrawals only at the end of thirty, sixty, or ninety days after notice has been given by depositors. The premium of from 2 to 4 per cent. on currency,—or, rather, the discount of 2 to 4 per cent. on checks,—which has existed for two or three weeks in New York and other cities (reaching 5 per cent. at one time in Pittsburgh), attests the eagerness of people to get money, while the fact that a large proportion of the country's exchanges are now made with clearing-house certificates and other similar substitutes for money indicates the extent to which money is hoarded and, in a crude way, measures the distrust and suspicion of our banking institutions in the minds of a large proportion of our population.

The business depression did not begin until about November 1, though a marked decline occurred in some industries earlier,—in the automobile, piano, and confectionery industries last spring, in the copper industry last summer, and in the theatrical industry since September. Railroads have also, for many months, been gradually abandoning improvements and laying off men. Since November began mills have been closing or

working at reduced speed in all sections of the country, business is being curtailed, failures are increasing, bank exchanges are decreasing, men are being laid off or put on short time, commercial activities are lessening, and other evidences of industrial retrenchment are multiplying at a more rapid rate, perhaps, than was ever witnessed by the present generation. Never before was there such a sudden stoppage of industry. Perhaps 500,000 men have been laid off within three weeks, about 100,000 of whom are in the iron and steel industries and 50,000 or 75,000 in the railroad industry.

So many men are out of work and so great is the exodus of workingmen to Europe that, for two weeks, the steamships have been unable to carry those applying for steerage passage. In some instances they could take only half of the applicants. The *Lusitania* stopped selling third-class tickets two days before sailing on November 16.

WHEN THE CRISIS WILL END.

The money panic will probably end not later than December 1, when the premium on money will disappear and hoarded money will return in large volume to the banks. Currency famines of the past have been of short duration.

The financial crisis will end only when the rapid fall in prices of securities ceases and when the demand for credit capital (loans) has lessened so that the rate of interest is not much above normal.

The industrial depression will continue for six or eight months, possibly for one or two or even three years. It will be marked by numerous failures of banking and commercial houses, manufacturing, mining, and transportation corporations possibly, and even probably by severe declines in real-estate values in many, if not most, sections of the country.

The above is a brief description of the ordinary course of events following an acute crisis such as we are now passing through. Economic students can trace the different stages of a financial and industrial crisis as accurately as a physician can trace the various stages of a somewhat complicated disease. More than a year ago these students saw

that we were approaching a crisis and began to make predictions and to issue warnings.

A MUCH-PREDICTED PANIC.

Besides numerous professors, and others of a more academic nature, many financiers and industrial leaders long ago saw trouble ahead. James J. Hill and Jacob H. Schiff were among the first of our calamity prophets. Following them came August Belmont, Stuyvesant Fish, E. H. Harriman, John D. Rockefeller, and others.

No one, perhaps, analyzed conditions more accurately and foresaw more clearly what is now transpiring than did W. H. Lough, Jr., Secretary of the New York University School of Commerce, Accounts and Finance, who last February wrote an article on "The Irrepressible Crisis," which was published in *Moody's Magazine* for April. In this article he discussed the general theory of crises and made up a list of twelve factors to be considered in prognosticating the business future. After carefully reviewing each he reached the conclusion that "the situation is strikingly similar to that which existed before the crisis of 1857." Continuing, he said:

Then, too, there had been for several years previous a heavy production of gold, which piled up in the bank vaults the world over and stimulated the output, first, of bank and, next, of commercial credit. . . . Plenty of gold, abundant credit outrunning the gold reserves, high prices, prosperity, heavy production of goods, and in the end a crash; such is a fair summary of the conditions from 1849 to 1857. The same data have already been given about the present situation, except the date of the crash.

The experience of the last 100 years indicates that the forces now at work are driving us straight toward a crisis,—and I mean by crisis not a Wall Street flurry, such as we have lately seen, which may come at any time from purely local influences, but a general, temporary breakdown of industry. With credit everywhere expanded to the danger point, we are in a position from which only two ways of escape are possible. One is a large and rapid increase in our gold reserves, which is out of the question. The other is a progressive restriction of credit, necessarily gathering momentum as it proceeds, which is another name for crisis. Just when or how the wave of credit withdrawals will start no one can tell. . . . The crisis of 1857, under conditions similar to those of to-day, was sudden and severe, but short-lived. Let us hope that nothing worse can be said of the coming crisis.

CAUSES OF PANICS.

Mr. Lough was able to prophesy thus accurately because he knew something of

the causes and antecedents of a great crisis. What, then, are the causes? Why is it that this great country, with its unparalleled resources and ample crops this year,—following years of bumper harvests,—is now in the throes of panic and depression?

There is, it is true, a shortage in our cereal, fruit and vegetable crops, as compared with last year. The yield of the most important products, however, are not below the average of the last ten years. Thus, according to *Bradstreet's* of November 16, the total estimated yield of the six cereals (corn, wheat, oats, barley, rye, and buckwheat) for 1907 is 4,113,487,000 bushels, against an actual yield of 4,854,514,833 bushels in 1906,—a decrease of 15.2 per cent. Not only have we ample cereals for our own needs, with hundreds of millions of bushels to spare, but, because of higher prices, the total value of our crops is greater than ever before. Our hay crop is 6 per cent. greater than last year, while our cotton crop will be a big one. Our potato, rice, and peanut crops are above the ten-year average, while our apple, pear, grape, and cranberry crops are below this average.

Compared with previous panic-year crops, our crops and their values make a wonderful showing. Thus, our present corn crop of 2,553,732,000 bushels, valued at \$1,270,000,000, is contrasted with 1,619,496,131 bushels in 1893, valued at \$591,625,627. Our present wheat crop of 625,567,000 bushels, worth \$563,000,000, is contrasted with 460,267,416 bushels in 1893, worth \$225,902,025. Our present cotton crop of about 13,000,000 bales, worth \$700,000,000, contrasts with 7,549,817 bales in 1898, worth \$250,145,067.

Taking these three crops as an index, our farm products have increased fully 50 per cent. since 1898, and their values about 140 per cent., while our population has increased less than 30 per cent. Surely there is nothing in the amount or value of this year's crops to indicate panic or depression.

Since 1893 the gross earnings of our railroads have nearly doubled, while the net earnings and dividends have more than doubled. Our exports have more than doubled, while our imports have increased 70 per cent. Our pig iron production has increased from 7,124,502 tons in 1893, to 25,307,191 tons in 1906, or more than 250 per cent.

On June 30, 1893, we had \$636,000,000 of gold in the country, while on October 1,

1907, we had \$1,482,969,710, an increase of 133 per cent. The total money in circulation increased from \$24.03 per capita, in 1893, to \$36.46, on September 1, 1907.

Why is it that, in spite of this marvelous growth in material wealth, we are to-day in industrial distress, with, perhaps, more idle men than ever before in this country?

WAS THE PANIC PREMEDITATED?

These and similar questions are now being asked by many able newspapers, not all in the West or South. A frequent answer is that the panic is the result of a few hundred gambling criminals and prosperity wreckers with their headquarters in Wall Street. Some even charge that this crisis was deliberately planned by these plunderers, who precipitated the panic by discriminating against certain copper and other securities as collateral for loans, by refusing to clear for the Knickerbocker Trust Company, by refusing bank credits to any except themselves, by cornering the money, and by sand-bagging Charles W. Morse, F. A. Heinze, E. R. Thomas, John W. Gates, the unfortunate Charles T. Barney, and others, until they "dropped their goods" and fled in despair.

These charges are, perhaps, heard as often in the offices of Wall Street brokers as in the Populist sections of the country. They even appear in Wall Street literature and in the metropolitan press. The *Evening World* of November 12, in a bitter editorial on "Where the Money Is," compares Wall Street bankers with pawnbrokers who appropriate the properties hypothecated with them, accuses the bankers of illegally over-certifying checks and refusing to pay cash to their ordinary creditors, and says that they have curtailed their commercial credits, called in their business loans and cut off manufacturers, storekeepers and merchants from their facilities for doing their legitimate business in order that they, the great Wall Street bankers, "might take advantage of the low prices for stocks and bonds and buy in other people's property cheap." Continuing the *Evening World* says:

Of the more than \$1,000,000,000 of loans in the New York associated banks less than one-half are commercial loans on business paper. More than half are on Stock Exchange collateral. The men who control the credit of these banks are using it to acquire for themselves the mines, the railroads, the steamships, and the other great incorporated industries of the United States. People who are not able to borrow

have to sell. The few men who can get loans are the purchasers. . . . The owners of these great banks have taken Heinze's copper company from him. They have taken from Charles W. Morse his banks and his steamboat lines, from Thomas his banks and his insurance company, from Thorne his Portchester railroad and Georgia Central Railroad, from Gates and his friends their Tennessee Coal & Iron Company. It is reported that they are taking from Harriman his Union Pacific. For these men who are despoiled the public has no sympathy. They deserved their fate, but when, instead of stopping there, the great Wall Street bankers keep from the manufacturer his pay-roll money, from the farmer the means with which to market his crops, from the shopkeeper the accommodations necessary to carry his stock in trade, then it is plain time that the attention of the public should be called to the facts, and that these banks should be compelled to conduct a legitimate business and to pay their legitimate commercial depositors in money, even if to do so they have to close the Stock Exchange and abolish gambling in Wall Street.

How much truth and how much falsity there is in these statements is known to but few and these usually keep their own counsel. Of the frequenters of brokers' offices in New York, it is reasonably certain that a majority believe that these statements contain more fact than fiction, and, of the older and more experienced habitués of these offices, a still larger portion are ready to believe the worst of the great "high financiers." There are numerous surface indications that seem to justify these widely-held opinions. Besides, so many frauds in great corporations have been revealed, in the past two years, that there is reason for the opinion that if there are any honorable men in control of these corporations, they are, at least, in bad company. These men have only themselves to blame, if they are regarded with suspicion by a majority of their fellow-citizens. Such men should help to scourge Wall Street and the great corporations that congregate there of their many malefactors, and should conduct the business of these corporations legally and honestly.

CAUSED BY ECONOMIC CONDITIONS.

Notwithstanding these widely-held opinions and the many indications that the present panic has been made to order by those who would profit by it, it is reasonably certain that this panic is as much the product of natural order and conditions as have been most previous panics.

Fundamentally this panic is due to unsound financial and economic conditions. Modern civilization is constructed on an

unsound economic basis,—one that distributes the products of industry unjustly and that, in large degree, discourages honest effort and thrift and encourages speculation and extravagance. While society permits private individuals and corporations to enjoy virtually unregulated control of public franchises and other special privileges and to gamble in them, there will be speculative booms, and, when the booms collapse, speculative reaction. In one case the wild "bulls" will put security and other prices (by the aid of a gullible public) far above their normal values, and in the other case the wicked "bears" will depress prices far below their real values. While our economic conditions provide such excellent material for speculation as are the securities of most franchise corporations and of titles to land, there will be speculation. When there is speculation there will be booms and panics. Human nature changes but little from generation to generation. Men seek to gratify their desires with the least effort. If governments permit those who get control of the opportunities of production to live practically without work, there will always be a scramble to get control of these opportunities. Hence, until these opportunities or special privileges are either taken out of private hands or are so regulated and controlled that their values will not swell and shrink and thus furnish food for speculation, we may expect boom and panic cycles.

MINOR CAUSES.

According to this theory, neither speculation, nor bad currency systems, nor bad banking laws, nor anti-corporation legislation, nor "muck-raking," nor corporation mismanagement, nor even the deliberately laid plans of high financiers are the primary cause of this or of any other panic, though any or all may be contributing and aggravating causes. For practical purposes, however, we may, as does Horace White, attribute panics to over-speculation. Bagehot's views were not very different. He said that panics are due to the fact that "at particular times a great many stupid people have a great deal of stupid money." He said that "This blind capital seeks for some one to devour it and there is plethora: it finds some one, and there is speculation: it is devoured, and there is a panic."

Leone Levi put the matter tersely, truthfully, and forcefully when he said: "The main cause for the occurrence of crises is the

sudden realization of an insufficiency of capital to meet present demands.

Prof. W. S. Jevons and some others attribute panics to sun spots and their effects on harvests. While the facts do not appear to substantiate this theory, it cannot be cast aside with ridicule. Curiously, this has been a year of sun spots and solar disturbances and abnormally cool weather in the northern hemisphere.

PANIC CYCLES.

Apparently, great panics tend to recur regularly about every twenty years, with lesser intermediate crises or depression about half-way between. This tendency is frequently interfered with by wars, earthquakes, fires and, most important of all, perhaps, great and comparatively sudden changes in the standard of value,—gold. These upset the regular order and hasten to delay the cycle period. The principal panic and crisis years noted in this country, since 1800, were, perhaps, those of 1814, 1837, 1857, 1873 and 1893. The years of lesser panics were 1826, 1844, 1864, 1884 and 1903. While the Civil War apparently caused the 1873 panic to come four years ahead of time, it did not prevent 1877 from being the year of lowest prices for corporation securities. Similarly the 1893 panic really extended to 1896 and 1897, which were the years of lowest prices for both securities and commodities.

PRESENT PANIC AHEAD OF TIME.

There are many reasons why the present panic has occurred farther ahead of the twenty-year cycle period (1913) than did any previous recent panic. There has been great destruction of capital by wars, earthquakes, and fires. These were undoubtedly important factors in hastening the panic period. But by far the most important factor was undoubtedly that of the rapidly depreciating value of gold, which is disturbing values, cancelling debts, upsetting calculations, and throwing out of gear much of the financial mechanism of the universe.

A few words on the revolutionary effects of gold depreciation will not be out of place here.

EFFECTS OF GOLD DEPRECIATION.

Because gold is being produced more cheaply, its annual production has doubled twice in twenty years,—increasing from \$105,000,000 in 1887 to about \$430,000,000 in 1907.

Because of the rapidly increasing supply of monetary gold (from about \$3,624,000,000, in 1887, to about \$6,750,000,000, in 1907) its value is rapidly depreciating. This is seen,—and can be seen in no other way,—by the advancing prices of the things for which gold is exchanged.

According to the price tables of Dun and Bradstreet, the average price of commodities is now fully 50 per cent. higher than it was ten years ago. If we take the lowest points of 1896 or 1897 and the highest points of 1907, we find a difference of 60 per cent. In England the average rise has been about 35 per cent. This probably measures roughly the depreciation. The remaining 15 to 25 per cent. rise in this country can be credited to the tariff and tariff trusts and to the excessive speculation engendered by the factors not common in England.

HIGH INTEREST RATES.

A depreciating standard of value and rising prices, continued for a number of years, inevitably results in high interest rates. It may seem strange that more gold does not mean cheaper money, but it is not inexplicable. When prices are rising rapidly there are opportunities in real estate, trade, and commodities to invest and benefit by the rise in prices. The demand for capital for investment purposes puts up interest rates. But there is another reason: When prices are rising and the purchasing power of money is decreasing the principal of debts is shrinking. Thus, if A borrows \$1000 from B when prices are rising 5 per cent. a year, an interest rate of 4 per cent. would not cover the shrinkage in the \$1000 each year. If the debt were paid at the end of a year, B would get \$1040, but this \$1040 would only purchase as much, at that time, as \$990 would have purchased at the beginning of the year. When exchanged for goods, B would have less at the end than at the beginning of the year. He would not care to continue to loan at 4 per cent., but would demand and get 6 per cent., 7 per cent., or 8 per cent.

LOW PRICES FOR BONDS.

But rising and high interest rates mean declining and low prices for bonds, preferred stocks, and for all securities and titles that draw a fixed rate of income. In the last ten years average interest rates, for time money, have risen from about 3.7 per cent. to 6 or 7 per cent. During the last six years the highest grade national, municipal, and rail-

road bonds of the world have declined an average of about 20 per cent. Such an enormous decline in the face of great prosperity and rising prices of property is unparalleled. Thus, the holder of British consols, during the last eight years, has not only lost as much, in the shrinkage of the value of consols, as he has received in interest rates, but he has lost the difference, in purchasing power (35 per cent.), between what £100 would have bought then and what it will buy now. It is this shrinkage in bonds and preferred stocks that is playing havoc with insurance companies, savings banks, and other fiduciary institutions. Instead of carrying these securities on their books at less than their market values, as has been customary in past years, these institutions must now charge off large amounts for losses, even after putting these securities on their books at the present market values.

SPECULATION, EXTRAVAGANCE AND CORRUPTION.

But it is through rising prices and the speculation that rising prices engender that depreciating gold has hastened the present panic. Largely because of this change in the value of gold we have, in the last four years, or in the last ten years, experienced as much, speculatively, as we would ordinarily experience in twice the time. Of course the faster prices rise the greater speculation there is and the sooner the inflated bubble will burst. With rising prices and speculation go manipulation, corruption, stock and corporation jobbery, and wild-cat promotions in all lines. Big paper profits lead to extravagance and many other evils.

In these ways cheapening gold is responsible for the present panic at the present time. But there are still other effects that will only be suggested here. By causing an unfair distribution of products and by plucking the many creditors (savings banks depositors, etc.) for the benefit of the comparatively few debtors (big stockholders of railroads, etc.) it creates dissatisfaction, discontent, and radicalism. These frighten capitalists and make them as susceptible to panics as is a flock of sheep when a wolf is approaching.

PARALLEL OF 1857 PANIC.

The present panic, caused by a breakdown in speculation in a time of seemingly unusual prosperity, when prices are tending upward strongly, is a close parallel to the 1857 panic.

It is, therefore, reasonably certain to be short and sharp, rather than prolonged, as were the panics of 1873 and 1893, which occurred during periods of falling prices. So closely do conditions of to-day parallel those of 1857 that, by slight changes in names, dates, and amounts, much of Mr. J. S. Gibbon's description of "The Panic of 1857," written in 1858, would fit present conditions. The 1857 panic lasted but a few weeks and the resultant depression but a few months.

While the present panic was not so much like a clap of thunder out of a clear sky as was that of 1857, yet there are several reasons why the recovery should be even more prompt than at that period. First, the output of gold is now increasing rapidly, while in 1857 it had ceased to increase. Prices, therefore, will tend upward more strongly now than then. This means that liquidation is not likely to go as far, in commodities and real estate, as it did in 1873 and 1893.

Again, while our banking and currency systems are far from perfect, they are not so bad as were those of 1857. At that time nearly all banks in the country closed their

doors. There was mismanagement and corruption then as now and, possibly, to an even greater extent. It took longer to clean it out then than it is likely to take now.

For these and other reasons it seems probable that our present financial and business depression will end almost as suddenly as it began and that, within two months, and possibly one, money will be plentiful and cheap, stocks and bonds will be rising rapidly, and that, within six months, most of the men now idle will be re-employed, and industry will again be on the upgrade. Wounds heal slowly, however, and we cannot expect full recovery in 1908,—a Presidential election year. The radical action of the Administration at Washington, on November 18, in deciding to issue \$50,000,000 worth of Panama bonds and \$100,000,000 in treasury notes, may stop the currency famine within a week and bring a return of confidence that will soon end this crisis. There is ample money in the country for all legitimate purposes, and it will come out of its hiding places as soon as confidence is restored.

THE WEST'S FINANCIAL REVELATION.

BY CHARLES MOREAU HARGER.

FOR half a decade it has been the boast of the West,—meaning thereby the grain-raising territory lying between the Rocky Mountains and the Alleghenies, with the Pacific Northwest as an adjunct associated in sympathy and business,—that it was independent of Wall Street; that whatever might happen to New York's financial operations it would, with its swelling bank deposits, its abundant crops, its reduced debts, be unaffected and secure. This self-confidence apparently extended to all classes; it was expressed by bankers as well as by farmers, by merchants, and by manufacturers. It was the popular position to take, and he who declared otherwise was frowned upon as being in a way disloyal to the West's interests,—so that those who took broader views discussed all these facts and interests in moderation.

Then in a single week, following the Wall Street upheaval of October 24, like a paralytic stroke, every bank in the entire

West was driven to extremity; several States declared a week's holiday, and sudden stagnation reached from the cities back to the hamlets twenty miles from a railroad.

For a time the people of the West would not believe it. They could not in a day readjust their views of the financial conditions to include a nation-wide mutuality of interest. They had looked for a business reversal to come to them, if at all, after a long period of financial disaster in the East,—that it could reach the farthest sections of our vast country in a single night was preposterous.

WESTERN BANK EXPANSION.

When they found practically every bank limiting the payment of currency over the counter to sums of \$25 or \$50 in a week; when loans were called, interest rates raised, new accommodations refused, the realization came with full force,—and there was in the remote hamlet the same fright among de-

positors that was manifested on Manhattan Island.

The very multiplicity of banks was an element of danger. For the past eight years banking in the West has been exceedingly profitable. Earnings have been high, demand for money has been strong, surplus savings were seeking investment,—what better investment than a bank? Any business man of good address could organize a bank almost anywhere. Two banks in a town of less than 1000 population are common. A bank to every 300 families can be found in purely agricultural counties 200 miles west of the Missouri River. Nebraska has over 800 banks, Kansas has 937, Oklahoma 750, Minnesota 700, North Dakota 500,—and other States with similar abundance.

The customers of these banks are largely farmers, or those directly dependent on agriculture. They have been educated slowly in banking habits. Up to three years ago rolls of currency buried in the years following 1893 were frequently brought to the banks for deposit. It has been a hardly taught lesson, but it was learned finally, and at a farmers' public auction anywhere in the prairie States, out of \$3000 in the amount of sales, \$2500 would be cash and 90 per cent. of that sum itself would be paid in checks.

When all this constituency, slowly won to confidence in the banks and which had deposited in many instances \$200,000 in an institution with only \$10,000 capital, saw its house of self-sufficiency crumble, it suffered as severely in its pride as in its financial standing. It was for the moment stunned by the new conditions.

HOW THE DEMAGOGUE PUT IT.

This was the opportunity of the demagogue. His explanation delivered generally on the street corner, but sometimes from the platform, ran like this: "Down in Wall Street is a gang of gamblers and robbers; they have borrowed from our banks out here in the West your money and my money and have lost it in their gambling operations. Now when our banker wants it he cannot get it; when you and I want it we are refused,—and it is all due to the Wall Street thieves."

This, it will be observed, is not materially different from the "Great Red Dragon" and the "Hated Money Power" of old Populist oratory,—but fortunately it has this time been addressed to audiences com-

paratively out of debt, with resources of grain and stock and prosperous farms, and it has been received with little applause.

The direct effect, however, has been a steady drain of deposits from the banks of the interior, extending through the month of November. Day by day, week after week, the clerks have come in asking for cash or exchange. Debts have been paid, balances have been transferred, and not a bank in the entire West has escaped. The slightest rumor has been exaggerated into reason for a "run;" it has been a battle with every banker how to meet the unusual situation,—one for which no ordinary amount of foresight could have prepared him.

The currency condition was comparatively simple,—cashiers' checks and clearing-house certificates solved much of the problem. The strain came in the meeting of the downward tide of deposits. The timid individual was again putting currency beneath the cellar floor. Who would have thought it possible two months ago that the haughty and independent West would have so changed, and in so short a time?

ELEMENTS OF STRENGTH.

The hopeful side of the West's condition lies in the falsity of the demagogue's argument. The Western banks have not loaned money to gamblers on Wall Street or anywhere else. One prairie commonwealth had last September \$15,000,000 in commercial paper,—which is the form of investments outside the local field. Probably not 10 per cent. of this was written east of Chicago. It was in notes of great packing-houses, of locomotive manufacturers, of dry-goods firms, of dealers in staples of every description, all of it the highest class of security and creditable alike to maker and investor.

Another thing of importance: the Western banks have also a great deal of short-term paper that is based on warehouse receipts for articles of food. These are as good as any investment that can be made, for the material itself is certain to be utilized, and when it is purchased and paid for the notes will be paid. Compare this sort of paper with that based on manufactured luxuries selling at high prices and the advantage becomes apparent. In other words, the Western banks are on a steady business basis, one that should and will commend them to their depositors and encourage confidence. In no part of the country has there been a safer sort of investment of surplus. In the State banks the farm

mortgage holds a large place,—not a “quick asset,” but a sure one; the speculative stocks of Wall Street are practically an unknown security to the Western banker.

With this kind of investments, hundreds of Western banks could, if necessary, liquidate and have a handsome surplus for their stockholders; it is unfortunate that they have been compelled to present a semblance of uncertainty when nothing of the sort actually existed.

PROBLEMS OF THE WEST.

In addition to the immediate problem of depleted deposit accounts, Western banks have to solve the readjustment of loans and the matter of investment of surplus. In an agricultural section, with no clearing-house facilities, the country bank stands alone against the community. It has been encouraging that up to November 15 in many Mid-Western towns deposits have held steady, that currency demands have been met and that the height of the wave of nervousness among depositors seems to have passed. Indeed, in some cities banks managed to retain such confidence of depositors that no limit on the amount of currency to be drawn was ever made. These, however, were exceptional. What was a banker to do, for instance, in a little country town with \$200,000 deposits and \$80,000 in cash and sight exchange,—but with \$73,000 of the latter in reserve banks which would not send currency? Little wonder that \$25 limits and less were made.

Another thing that has embarrassed the West has been the sudden slump in prices of stock and grain. The farmer, seeing his wheat worth 15 cents a bushel less and able to get only checks,—not currency or gold,—for it at that, locks up his granary. The owner of hogs and cattle takes similar action. Business in an agricultural community is thus at a standstill, and the people quite naturally draw from the banks the funds for their support.

Had the Eastern banks limited their local customers, but sent sufficient currency to the interior to have kept the country banks supplied, it would have prevented this stagnation at the initial shipping points for farm products and have gone far to maintain usual business conditions. Solvency and business activity are in this instance two very different things.

In the vaults of the Western banks are securities based on the things people must eat and use, on the contents of cold-storage buildings and of warehouses that will soon be needed. As these goods are purchased they will be paid for, and the banks will get their money. Bright skies and commercial activity should first come where such conditions exist. So long as the sun shines and the rain falls on the fertile acres of the West, financial distress cannot long continue. A large portion of the past season's produce is yet in the bin or remains unharvested in the field. It is not such a crop as that of 1906, but with the higher prices prevailing in October it was estimated to be worth more money. The farmers, looking at this and considering the newly planted wheat which is going into winter in excellent condition throughout the Southwest, are unable to find cause for pessimism.

It is perhaps not a bad thing for the West to have been awakened out of its sectional self-sufficiency and to have it brought home sharply that this nation is one in business and finance, as it is in political organization. When normal conditions are restored, there ought to be accepted a broader and more helpful sympathy between East and West, a realization that will have a strong influence in the safer adjustment of mutual interests.

The West has had a striking object lesson in national finance, sharing its revelation with the East, which perhaps underestimated its dependence on the nation's granary. Both should gain an experience not to be forgotten.



TRUST COMPANIES AND THE PANIC.

BY WILLIAM JUSTUS BOIES.

THIS has been the first real panic that the trust companies of New York City have ever encountered. There were hardly a dozen companies competing for business in the Wall Street District during the troublesome days of 1893. These were for the most part of the old-fashioned type which confined their activities to the trustee business and the functions for which trust companies were originally incorporated. But the modern trust company which is to-day established at every trade center in the United States is distinctly the product of the remarkable prosperity which this country has witnessed during the past seven years. In that period 900 trust companies have been organized in the United States, making altogether 1500 in active business to-day. The trust companies have prospered everywhere, and in New York City their progress has reached a point where they hold to-day nearly \$700,000,000 deposits, which is just about double what the Clearing House banks reported in the panic of 1893.

The modern trust company is essentially the rich man's savings bank. But rich men often lose their heads like other mortals in panicky times. I shall never forget the scene on lower Broadway on the afternoon of October 22 last, when the Knickerbocker Trust Company suspended payment. It reminded one of "bargain day" in a great department store, with rushing, murmuring people struggling to purchase for 49 cents something which ordinarily costs fifty. It was literally a scramble of millionaires, old men and women, prosperous brokers, and agents of wealthy estates, fighting like mad men to reach the teller's window before the doors were closed. On upper Fifth avenue, where the Knickerbocker's white marble palace of a head office is located, on the site of the old A. T. Stewart mansion, high-powered automobiles were adding their occupants, some weeping, to the great throng of waiting depositors. Within three hours fully \$8,000,000 of the company's \$60,000,000 deposits were withdrawn, and you might as well have tried to quell a mob of angry longshoremen as to win the co-operation of those rich men in saving the company from instant embarrassment. As soon as the 21,000 de-

positors,—a sufficient number to populate a small city,—saw by the headlines of the afternoon papers that the company had suspended, New York had a genuine panic on its hands. Within twenty-four hours almost every trust company in the city was under suspicion, for the simple reason that 21,000 angry depositors were using the words "trust company" in tones that were hardly calculated to allay the misgivings of a frightened community.

WHO "UNSETTLED CONFIDENCE"?

To make matters worse, the Knickerbocker did not open its doors the next day, as its officers said it would. Instead of that there were excuses, charges and denials, with an attempt by one officer to hold President Roosevelt responsible for "unsettling" the confidence of depositors. Mr. J. P. Morgan with other bankers did heroic work night and day to keep the trouble from spreading, and had Mr. Morgan's first proposals been adopted I think that the community might have been spared the worst phases of the widespread disturbance which followed. Curiously enough, the Knickerbocker was one of the three trust companies of the city that enjoyed Clearing House privileges. That would have assured it immediate assistance from the great banks had it merited it. But the company did not have proper collateral to pledge for the funds that were required to carry it through.

The Clearing House Committee made a thorough investigation of its affairs, saw exactly how its money was invested, and said quietly: "No, gentlemen, we cannot help you." That meant that the company had most of its deposits tied up in syndicate underwritings, time loans and various forlorn hopes. Its president, Mr. Charles T. Barney, who has since committed suicide, was a brilliant real estate operator rather than a banker. For that reason the concern he managed became more of an investment institution than a bank whose deposits were subject to recall without notice. It was largely a case of "one-man-control banking," for the company's directors were for the most part too rich and too busy with their own affairs to keep in close touch with the

bank's management. Several of them have since admitted, what most people knew, that what Mr. Barney said "went," and that the details of management were largely committed to his care.

A "RUN" UNPARALLELED IN OUR HISTORY.

The Knickerbocker had three New York City branches, and through stock ownership or control it had largely to do with the affairs of half a dozen up-State banks and trust companies. In that way its failure became a matter of real concern to hundreds of depositors outside its immediate constituency. Within a few hours after the Knickerbocker's suspension there was a run on the Trust Company of America. That run was without parallel in banking history and soon assumed almost national importance, requiring the united efforts of the most powerful bankers in the United States to meet the trying complications that immediately arose. The company had \$73,000,000 deposits belonging to some 17,000 different people, and because of the excitement attending the suspension of the Knickerbocker the throngs at its doors were a hundredfold more stubborn and hard to handle than those in the case of the Knickerbocker. On two of the six days, while the run was in progress, the crowd became so dense as to virtually close Wall street to traffic. Men, women and children held their places night and day in the ceaseless rush to reach the teller's window, the throngs extending a full block in both directions. It looked like a mob that is attracted by a spectacular fire, and on several occasions the police were obliged to rush down a mounted force to keep the crowds back.

While this was going on, the Lincoln Trust Company, which did a large uptown business, was going through a similar ordeal. No one knew how the run started, except for the unreasoning alarm of women depositors who had become panic stricken as soon as the Knickerbocker closed its doors. It took virtually \$50,000,000 cash to meet the withdrawals by the depositors of both these institutions before the excitement subsided. Both companies were perfectly solvent, but they found themselves suddenly confronted with a situation requiring the immediate co-operation of New York's most powerful financiers to relieve. It was peculiarly a time when every financier had to work for the common good of the whole community. The few who did not give their support,—and there were a few,—will be

reckoned with before the episode closes. In the case of the Trust Company of America assistance was afforded through the organization of a special relief committee of trust company officials who worked in conjunction with Mr. J. P. Morgan and others to help it meet the unusual demand. The experience taught the directors of both these companies that there were serious responsibilities attaching to the office of a trust company director, and that every company must receive assistance from its own board before applying to outside quarters. Altogether there were half a dozen companies in the Greater New York territory that virtually suspended payment or were given assistance.

NO ILLEGALITY ON THE PART OF THE COMPANIES.

Now the trust companies have nothing to be ashamed of for the part that they played in this panic. The suspension of the Knickerbocker seems to have been a clear case of injudicious banking. One of the companies may find it expedient to secure a new head for much the same reasons as actuated the directors of the Mercantile National Bank in obtaining the services of a conservative business man as president. But there are several obvious lessons which the trust companies of the entire country must take to heart if they wish to strengthen their prestige and continue in the field of deposit banking. With characteristic quickness of action, Governor Hughes has risen to the occasion by appointing an exceptionally strong commission to recommend such changes in the trust company law as appear expedient to those who have devoted their lives to trust company management. The commission is headed by A. B. Hepburn, president of the Chase National Bank of New York, who made a splendid reputation as Comptroller of the Currency. Other New York bankers who will serve with him are Edwin S. Marston, president of the Farmers' Loan and Trust Company; Edward W. Sheldon, president of the United States Trust Company; A. S. Frissell, president of the Fifth Avenue Bank; Stephen Baker, president of the Bank of the Manhattan Company, and Andrew Mills, president of the Dry Dock Savings Institution.

GOVERNOR HUGHES' COMMISSION.

This commission, acting under Governor Hughes' injunction to determine "what, if any, changes are advisable in the laws of the

State relating to the incorporation, conduct of business, and supervision of banks and trust companies," will report to the Governor on December 15 what modifications of the New York State trust company law are necessary to strengthen the companies and safeguard the interests of depositors. The essential provisions of this law, which has been regarded by many as the most important trust company law of the country, authorize a trust company:

1. To act as the fiscal or transfer agent of any State, municipality, body politic or corporation; and in such capacity to receive and disburse money, and transfer, register, and countersign certificates of stock, bonds, or other evidences of indebtedness.
2. To receive deposits of trust moneys, securities, and other personal property from any person or corporation, and to loan money on real or personal securities.
3. To lease, hold, purchase, and convey any and all real property necessary in the transaction of its business, or which the purposes of the corporation may require, or which it shall acquire in satisfaction or partial satisfaction of debts due the corporation under sales, judgments, or mortgages, or in settlement or partial settlement of debts due the corporation by any of its debtors.
4. To act as trustee under any mortgage or bond issued by any municipality, body politic or corporation, and accept and execute any other municipal or corporate trust not inconsistent with the laws of this State.
5. To accept trusts from and execute trusts for married women, in respect to their separate property, and to be their agent in the management of such property, or to transact any business in relation thereto.
6. To act under the order or appointment of any court of record as guardian, receiver, or trustee of the estate of any minor, the annual income of which shall not be less than \$100, and as depository of any moneys paid into court, whether for the benefit of any such minor or other person, corporation, or party.
7. To take, accept, and execute any and all such legal trusts, duties, and powers in regard to the holding, management, and disposition of any estate, real or personal, and the rents and profits thereof, or the sale thereof, as may be granted or confided to it by any court of record, or by any person, corporation, municipality, or other authority; and it shall be accountable to all parties in interest for the faithful discharge of every such trust, duty, or power which it may so accept.
8. To take, accept, and execute any and all such trusts and powers of whatever nature or description as may be conferred upon or intrusted or committed to it by any person or persons, or any body politic, corporation, or other authority, by grant, assignment, transfer, devise, bequest, or otherwise, or which may be intrusted or committed or transferred to it or vested in it by order of any court of record, or any surrogate, and to receive and take and hold

any property or estate, real or personal, which may be the subject of any such trust.

9. To purchase, invest in, and sell stocks, bills of exchange, bonds and mortgages, and other securities, and when moneys, or securities for moneys, are borrowed or received on deposit, or for investment, the bonds or obligations of the company may be given therefor, but it shall have no right to issue bills to circulate as money.

10. To be appointed and to accept the appointment of executor of or trustee under the last will and testament, or administrator with or without the will annexed, of the estate of any deceased person, and to be appointed and to act as the committee of the estates of lunatics, idiots, persons of unsound mind, and habitual drunkards.

11. To exercise the powers conferred on individual banks and bankers by section fifty-five of this act, subject to the restriction contained in said section.

PROBLEMS OF THE TRUST COMPANY.

The chief problems have to do with the accumulation of a proper cash reserve and the question of restricting investments. As the trust companies, under the present law, are able to "loan money on real or personal property," and "to lease, hold, purchase and convey any and all real property," they enjoy privileges not conferred upon any other financial institutions. The State banks are restricted in their investments "to stocks, or bonds, or interest-bearing obligations of the United States, or of the State of New York, or of any city, county, town, or village of this State, the interest of which is not in arrears." They must not deal in railroad stocks or in real estate, and are forced to content themselves with the revenues resulting from discounting and negotiating promissory notes, trading in exchange, coin, and bullion, and from loans made on personal security. The State banks urge that it is manifestly unfair for the State to restrict them in this way, when their competitors, the trust companies, which do chiefly the business of deposit banks, are given a free field for investment. It is for the commission to recommend, therefore, whether this freedom of investment should be continued, or whether the trust companies should be made to employ their funds in specific channels. While it may be urged that depositors have never suffered much from losses sustained through unwise investments of trust company funds, the fact remains that an unrestricted field affords opportunity for such recklessness as has been exposed in the case of the Knickerbocker. The commission will undoubtedly view the subject in a broad-minded way, but the fact that most of its

members have been identified with the most conservative type of trust company banking indicates that its recommendations may impose some restrictions. Clark Williams, the new superintendent of banks, who will advise with the commission on these matters, is an experienced trust company official of decided ability.

LEGAL STATUS OF THE TRUST COMPANY.

Even those who last winter opposed the adoption of the present trust company reserve law admit that the panic has proved its inadequacy as a sufficient protective measure. That law, which became effective on April 27 last, after one of the bitterest fights in which trust company officials were even arrayed against their rivals of the deposit banks, provides for companies located in the principal cities:

Every trust company having its principal place of business in any city in the State having a population of over 800,000 shall at all times have on hand a reserve fund equal to at least 15 per centum of the aggregate of its deposits.

The whole of such reserve fund may, and at least one-third thereof must, consist of either lawful money of the United States, gold certificates, silver certificates, or notes or bills issued by any lawfully organized national banking association, one-third thereof may consist of bonds of the United States, bonds of the State of New York, and bonds issued in compliance with law by any city of the first or second class within the State of New York computed at their par value, which must be the absolute property of the corporation exclusive of all other investments; the balance thereof over and above the part consisting of lawful money of the United States, gold certificates, silver certificates, notes and bills issued by any lawfully organized national banking association, and the part thereof consisting of bonds as above provided, must consist of moneys on deposit subject to call in any bank or trust company in this State having a capital of at least \$200,000 or a capital and surplus of \$300,000 and approved by the superintendent of banks.

The panic has shown that a 15 per cent. reserve, one-third of which is in actual cash, is not enough to insure a trust company against the vicissitudes of deposit banking. In the notable discussion before the legislative committee last winter, Mr. William A. Nash, president of the Corn Exchange Bank of New York, advocating the adoption of a cash reserve law for trust companies, uttered this word of warning, which is pecu-

liarily descriptive of the conditions prevailing in New York this month:

"The depositor doesn't want his money in cash, but he wants to feel that it is in sight. If it is in sight he is satisfied. You may call this sentimental, if you will, and perhaps it is so, but it is the hardest fact that I know of in banking. Then there is this plain duty to safeguard the deposits of the people. The State of York, and especially the city, is the clearing-house of the country. The country looks at New York,—if it is sound the country is reassured; if it is weak, or doubtful, distrust is felt everywhere. The aim of this law is to reinforce, to strengthen, to ward off panic, to reassure depositors, to institute those long established rules, which if evaded, or despised, bring ruin on those who hold them as if of no account. It needs to be strengthened and braced up. Frequent statements are good, examinations are helpful, but an adequate cash reserve is worth more than all."

A trust company expert, Vestus J. Wade, head of the Mercantile Trust Company of St. Louis, in speaking of the run on St. Louis trust companies four years ago, says of his conversion to the cash reserve theory:

The reason why trust companies should keep a reserve the same as the banks is because they are, no matter what you may call them, active, energetic financial institutions. They are not immune from the "runs." I was one of those, representing one of the great number of trust companies, that thought the deposits in a bank were equivalent to cash on hand. One hour's experience on the 27th day of October last showed me the dissolution of that fallacy, and wiped it away from my mind. In one hour on that occasion the trust companies of the city of St. Louis had before their doors enough depositors to draw all of the available cash out of the trust companies of the city of St. Louis if the run had continued. From that day to this I have determined that so long as I was an executive of a financial institution,—call it what you may,—when the "holler" came I would be ready to meet the storm.

The trust companies of the country are a great deal stronger than they were then. The experience of this panic will make them stronger still. The trust company is pre-eminently an American institution. It has come to stay because we cannot get along without it. The trust companies have made tremendous progress in the last decade and having been tried by fire in New York's great panic, they will be better fitted than ever to meet the needs of a people that will ultimately be satisfied with nothing short of the safest and best banking system in the world.

THE SCOPE AND FUNCTIONS OF THE CLEARING-HOUSE.

BY FRANK GREENE.

(Managing Editor of *Bradstreet's*.)

MUCH has been written and printed of late regarding the clearing-houses of this and other cities of this country. Thus we have read that the Clearing-House at New York took action to save several banks; that other banks suspended because of the withdrawal of clearing-house support; that clearing-house certificates were issued to lessen the stress of monetary stringency, and we even learn that clearing-house certificates have been issued to pay the wages of workmen, clerks, operatives, and store employees. The wide range of action here indicated and the diversity of directions in which the activities of clearing-houses have been manifested may be a matter puzzling to the ordinary person. For these and others the following description may be enlightening:

THE ORDINARY FUNCTION OF THE CLEARING HOUSE.

In its primary and simplest form, the form in which the fathers of the clearing-house system knew it, a clearing-house is merely a centrally located place, where checks, drafts, bills, notes, or other kinds of credit instruments coming into the possession of the banks are brought to be exchanged for their equivalent in other similar credit instruments or for cash. Just as in the old original "Exchange," where merchants met to buy and sell commodities, so do the banks through clerks meet to exchange checks or money for other checks or obligations they owe or are owed. To illustrate, we must compare the old system of exchanging claims against the respective banks with that now in vogue in nearly all the cities of the world having any pretension to financial importance.

Under the old system a porter chosen for his strength perhaps as much as for his known honesty took all the checks upon other banks that came into his own bank's possession and went the rounds from bank to bank collecting his claims in the form of cash, whether bank bills or gold. One result was the carrying of large sums of money through the streets, with the consequent danger of loss by robbery or carelessness. As

the banks increased in number, an informal meeting of the porters at one central point to exchange checks for cash was a natural evolution. This, however, was cumbersome and oftentimes unsatisfactory because of the lack of knowledge in advance of the claims that would be presented and of the sums necessary to meet them. Finally, the banks took cognizance of the necessities of the case and arranged for a central place of exchange, with a manager and clerks to supervise and conduct the exchanges. This was the genesis of the clearing-house as it exists to-day, and it may be said also that a great many clearing-houses are to-day merely places of exchange for items held by banks against other banks.

HOW THE "CLEARING" IS DONE.

As to the present methods of clearing at, say, any of the larger clearing-houses, the system in vogue at the New York Clearing-House may be cited as exemplifying the modern plan of action. Two clerks come from each bank that is a member of the Clearing-House each business day at 9.30. Exchanges are made at 10 a.m. Each bank has a desk assigned it, behind which sits one of the clerks, prepared to receive checks or other claims against his bank. The other, or delivery clerk, has a bag filled with checks against other banks. At the stroke of a bell the line of delivery clerks moves slowly down and around the room, stopping at each other bank desk in turn, laying down the respective bundles of checks, getting receipts therefor, and passing on until they have made the round of all the bank desks and return to their own desks. When the delivery clerk returns to his own desk he finds it piled high with checks left by other delivery clerks. After comparing the totals of these checks with his fellow clerk's list he takes them to his bank. The clerk remaining adds his totals of checks received from other banks and compares it with his original list of checks against other banks which he made up before he left his own bank. The difference between his two totals of checks for and

against his own bank is the amount of balance his bank owes or is owed. If his bank owes more than he receives from the other banks he fills out a debit slip and hands it to the manager. If the total he receives is less than what he has brought from his bank he fills out a credit slip. The clerks of the Clearing-House have a memorandum of what he brought and what he received, and, footing them up, the manager knows what each bank owes and what it should receive. The totals of what is owed by all of the banks are the clearings, and the differences then are alone to be settled for. Usually the clearing-house sheets are finished and proved by 10.45 a.m., and fines are levied for any mistakes made in footings. From 12.30 to 1.30 the banks settle for balances they owe at the Clearing-House. Shortly after 1.30 the clerks whose banks are owed sums collect and return to their banks. Differences due are paid, if the sums are large, in certificates representing gold deposited in the vaults of the Clearing-House. Small balances are settled in bank-notes, legal tenders, and silver or copper coins. All balances due at the New York Clearing-House are therefore settled in cash. Other clearing-houses throughout the country pursue very much the same plan, some of them paying balances in cash or its equivalent, some giving New York exchange, and some cashiers' checks, which are later presented at the banks issuing them or are passed through the clearing-house the next day, and others still have a variety of ways satisfactory to themselves for settling the differences. There are fully 115 clearing-houses in this country and Canada reporting the total of their exchanges each week and month, and, representing as they do the payments on account of all kinds of financial transactions going on all over the two countries each day, week, month, and year, they constitute a statistical measure of the business of these countries which is in a high degree valuable.

A COMPARISON WITH THE ENGLISH SYSTEM.

So much for the mere plan of exchanging or clearing checks or other forms of indebtedness between banks. This plan with subsequent modifications to meet changing conditions has been in operation practically since the organization of the New York Clearing-House in 1853. In England the London Clearing-House dates back to about the time when the Thirteen Colonies revolted from the mother country. There, however, the

balances now, as then, are settled by drafts on the Bank of England, whereas the settlements at New York are made in actual cash at the time of clearing, and competent authorities are quoted as saying that the New York clearing operation, which is all completed early in the afternoon of each day, is superior to the London system, which requires a much longer time and employs an apparently much more cumbersome system.

THE CUSTODIAN OF OUR CREDIT MACHINERY.

This exchanging of checks, however, is, after all, only the primary or simplest form of clearing-house activities. It is in its wider scope as the real custodian of the credit machinery of the country that the clearing-house finds its fullest reason for existence. Here the highest type of that much overworked phrase "community of interest" finds its tangible expression, and here in time of stress or of actual panic the really modern conception of what a clearing-house should be is demonstrated. We have in this country no central bank system such as is possessed by England, France, Germany, and almost all of the leading European countries. The American Treasury system is, of course, in the last analysis, the custodian of the country's reserve of specie. But the Associated Banks of New York, which is usually known as the New York Clearing-House, may be said to be the custodians of a large part of the moneys of the country, because they hold in normal times much of the reserves required by the National Banking act to be held by all national banks. On November 16, 1907, the New York Clearing-House banks held \$218,659,000 of legal tender currency and specie. At the same date a year ago they held \$252,682,400. This is because New York, like London, is the financial heart and clearing-house of the country, point to this statement being given by the fact that nearly two-thirds of the entire country's bank exchanges in 1906 were cleared at the metropolis. This is of course made possible by the fact that as the largest city and the most important port of the country New York holds the largest supply of actual cash. Here, in fact, is the place where liquid capital finds its promptest and widest use.

PROTECTING INDIVIDUAL BANKS.

In normal times, therefore, the New York banks as holders of a large part of the country's actual cash and as trustees for the rest

of the country's banks hold the greater part of the country's liquid wealth outside of the Treasury. When, however, as in the past month, a condition of severe monetary stringency supervenes and the needs of the banks of the country cause them to draw down their reserves of cash while the work of financial settlement is but little reduced, there is thrown upon the New York banks a burden which would be impossible to carry were it not for the fact that in process of time a solidarity of interest and a plan of working out from these conditions had been evolved through the medium of the clearing-house. Practically the banks of New York pool their issues, combine their reserves, and stand together as one bank for the common good of all. The strong banks lend aid to their smaller and in no disparaging sense be it said, their weaker brethren. The need for cash is met, and in the words of an English writer the Associated Banks of New York, the Clearing-House, plays the part in the United States that the Bank of England does for the United Kingdom.

"CLEARING-HOUSE CERTIFICATES."

Does a bank in New York need cash? Then the Clearing-House advances it out of the store of gold that the banks as a whole have lodged in the vaults of the Clearing-House. Of course, there must be security therefor, and the perfectly solvent bank, short perhaps of cash but possessed of good securities, brings its securities to the Clearing-House Loan Committee and obtains clearing-house certificates, which, taken freely as they are by the other banks in settlement of balances, pass current between the banks as cash. The certificates issued at New York in the past have been usually in denominations of \$5000, \$10,000 and \$20,000. They are good only between the banks, and the ordinary man never sees them. Thus the time of stress is passed safely, as the crisis of late October and early November has been passed, and the financial situation resumes, as it is now resuming, its normal condition. Hereby the strong banks support the weak, the dread of failure of other solvent clearing-house banks is avoided, the long train of attendant evils, such as the insolvency of business houses, depositors in those banks, is obviated, and the banks stand "shoulder to shoulder like brethren," or like one bank that cannot be broken, be the strain ever so severe.

This is, of course, rendered possible by

the co-operation of the banks, which has taken the place of the old selfish plan of every one for himself, which usually resulted in a useless waste of financial life and a slaughter of commercial credit. This co-operation in turn, as already explained, takes the form of an issuance of clearing-house certificates, which is the tangible evidence of the faith of the banks themselves in themselves as a whole and in the individual bank possessed of good securities but lacking in a sudden emergency the necessary liquid supply of capital which could not otherwise be had under our peculiar American currency system. This form of co-operation, at least the issuance of clearing-house certificates, had its inception in the troubled days of 1860, and eight times since then have the Associated Banks of New York issued certificates which have passed current between the banks as cash, as indeed they were, because they represented the surplus gold holdings of the banks of New York. The younger sisters of the New York Clearing-House have followed New York's example. In 1893 eight other cities did this. This year the example has been followed by so many cities that it may be said the entire country has been working for three weeks on a clearing-house certificate basis.

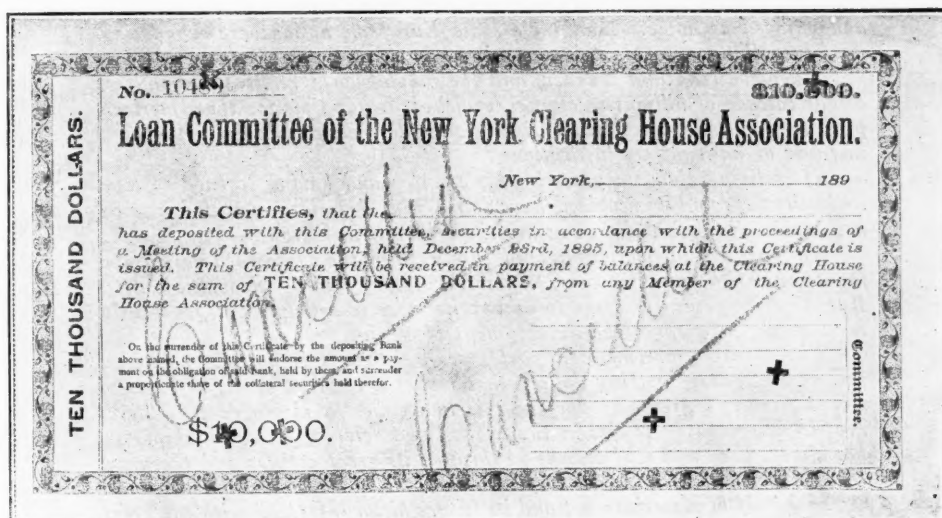
SOME DISADVANTAGES OF THE SYSTEM.

It may be claimed, and perhaps with some justice, that the employment of these certificates is a form of temporary relief, and that, while the end may justify the means, it is at best a makeshift policy. As to the first objection it may be answered that the system of taxation of these certificates provided by the clearing-houses,—that is, the rate of interest charged the banks taking out these certificates, which is 6 per cent. at New York,—is high enough to discourage speculative use of this source of credit, and past experience, the short time they are employed, and their quick return and cancellation furnish the best proof that the privilege is not abused. It may also be admitted that the plan is a makeshift in the absence of a more scientific system, but it might be well to recall that criticisms of our currency system as a whole are not content with stigmatizing that system as being merely a makeshift. Some foreign critics, in fact, apply the epithet of barbarous to our present currency system with its known lack of elasticity and with the recurring strains which its disorder places upon the country's business.

EMERGENCY CURRENCY.

Just as past financial crises called for and found some old, some new, and some perhaps curious methods of carrying the country over a trying period, so has the present trouble seen a new development of the use of clearing-house certificates, so called. The usual forms of certificates employed were as outlined above, designed to circulate between the banks merely, and it was never intended by the original users that clearing-house certificates should be employed in the everyday operations of the public. This time, however, a form of emergency currency, credit checks, or, as they are called in many cities, "clearing-house certificates," have been issued under the authority of the clearing-houses of various cities. These have been for sums as small as \$1, \$2, \$5, and \$10, and not in the usual denominations of as many thousands. These small checks have been paid out for wages, accepted for food supplies and goods, and will presumably be returned and cancelled when the craze for

hoarding money in boxes, cupboards, and stockings passes away. Where a high rate of interest for their employment is charged they undoubtedly will be called in just as early as possible, except as numismatists and philatelists choose to preserve samples as illustrations of the various kinds of currency issued in our national history. Here it may be claimed that this form of currency is extra-legal in character, and there certainly have been some objections to accepting them, but they are not open to the imputation of being unsafe, as was the currency of an earlier time, which was often entirely unsecured. These certificates have behind them the pledged faith of the clearing-houses issuing them and they will be redeemed when presented. Still they are another and striking example of the burden to a country's trade of, to put it mildly, an unscientific currency system which has strewn the economic and financial history of the country with the wrecks of thousands of what would otherwise have been prosperous business enterprises.



TEN THOUSAND DOLLARS IN "EMERGENCY CURRENCY."

(Facsimile of a certificate issued by the New York Clearing House Association. Notice the method of cancellation.)

AN ARTIST'S PLEA FOR AMERICAN ART.

Editor REVIEW OF REVIEWS:

Art has been, and is, my very life. It gives me all my joy. It is simply for art's sake that I speak to the home of my adoption, America.

Mr. Shaw, ex-Secretary of the Treasury, stated a few weeks ago that "the products of the United States, this year, amounted to the stupendous sum of over twenty-six billions of dollars." Almost beyond comprehension!

Certainly this country is now the greatest and richest in all the world. But alas! What of America's art?

A national art gallery,—it has none! A national school of painting,—it has none! A national conservatory of music or dramatic art,—it has none! A national school of sculpture,—it has none!

What a contemplation! What a burning shame! For patriotic Americans, in the true sense of the word, to realize that notwithstanding we have the greatest and richest country on earth, yet in art of the brush, of the chisel, and of song, America is probably below most of the poorest countries of the world.

When we reflect that in this, the richest and greatest country on earth, there is not one national institution of art in which the young Americans of both sexes, rich or poor, can secure free art education, it makes the lover of art blush with shame!

European nations, through their art (at our expense) enjoy immense revenues and profits from the American people which ought to be expended and enjoyed at home. And these same European nations are wondering why everything except art is encouraged in the United States.

When we read and wonder, and the whole world reads and wonders, at our cascade of billions of annual wealth, is it not time for the American press to give this subject the consideration it deserves and begin a campaign in favor of national art institutions?

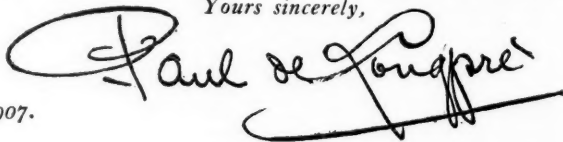
After living eighteen years in this country and having learned to love its institutions and its people, I have found that American men and women are as much in love with art as are the brightest in Europe.

National art institutions would surely place the United States in the front rank with her composers, painters, sculptors, and her dramatic artists. But America never can hope to occupy its place in art unless it generously invites and encourages the development of genius.

The sooner the American people realize that it is not the ceaseless, unique thought of making dollars that makes a country great, the better. For a country's greatness does not lie in its wealth measured in dollars. No, by all means! It lies in the exalted character of its citizenship. It has always been and will always be through its great artists; and the more there are, the greater the country is in the eyes of the world and posterity.

In behalf of American art and its future history, I plead with the great American press to impress upon our Government the necessity of founding national art schools, in order that the elevating lessons evolving from art may broaden the minds of the people to higher ideals and loftier purposes, to the fullest development of that noblest of all feelings, "Patriotism."

Yours sincerely,



November 6, 1907.



Copyright, 1907, by William Clausen, N. Y.

"HOUND AND HUNTER," BY WINSLOW HOMER.

(Veracity is the keynote of Homer's art. Here we seem to part the branches of the opposite bank and look directly on a little drama in the North Woods. We do not feel that this is a picture built up from several other sketches in the artist's studio. Homer not only paints complete composition, but equally true and fresh and sparkling in color are his sketches, mostly in water color, of camp fires throwing forth a sputtering fountain of sparks in the night, salmon or trout with crimson gills leaping from the water, palmettos of the Florida lagoons, and Bermuda fishing boats flying before the wind.)

AMERICAN PAINTING TO-DAY.

BY ERNEST KNAUFFT.

IN the article on Saint Gaudens in the REVIEW OF REVIEWS for September, an analogy was drawn between the restraint of his treatment of the Lincoln statue, and the restraint of Lincoln's Gettysburg speech. A similar quality of restraint permeates American painting; it is, as it were, its hall mark of refinement. So often the visitors to our galleries are disappointed because the paintings they see there are not more forceful, more brilliant and entertaining. Let them, however, but sympathize with the quality of restraint, and they will soon view the paintings in a new light. But this sympathy they must have; they must recognize that restraint is a desideratum of the fine arts, as it is of refined social life.

All are familiar with the merit of Cordelia:

Her voice was low,—

* * * * *

An excellent thing in woman.

Less familiar is Dante's picture of the antique heroes, Cæsar, Brutus, Socrates, Plato, and their quiet dignity:

There dwelt a race, who slow their eyes around
Majestically moved, and in their port

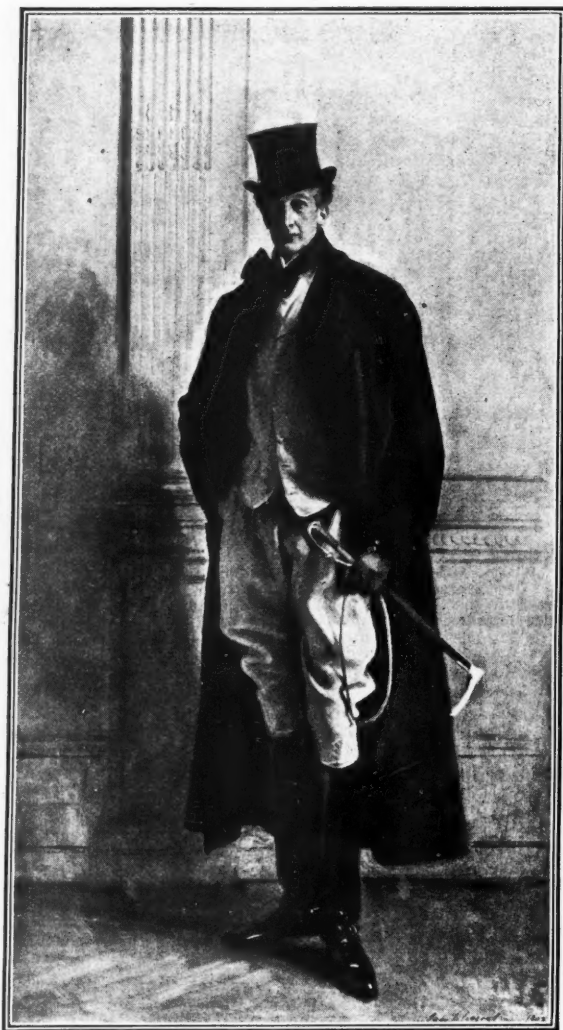
Bore eminent authority; they spake
Seldom, but all their words were tuneful sweet.

Similarly we look for reticence, the expression that is "tuneful sweet," in the graphic vernacular of our American painters.

We have selected a few painters whose work, we believe, represents this reticent quality. It is not intended, however, to suggest that they are the only artists worthy of consideration; the brevity of our article prevents our doing full justice to many painters of equal eminence.

JOHN LA FARGE THE NESTOR OF AMERICAN PAINTERS.

John La Farge stands for all that is best in American art. He is the Nestor of our painters. He belongs to three decades. In the old days he fought with Hunt, Inness, Wyant, and Martin to uphold the dignity of our art. When the younger school returned from Munich and Paris, and founded the Society of American Artists, in 1878, and arrayed themselves against the Academy, and fought for recognition of a more individual technique than then in vogue,



"THE RIGHT HON. LORD RIBBLESDALE," BY JOHN S. SARGENT.

(One of the strongest portraits in modern art. A perfect piece of characterization. Realism in the best sense of the word. But there is more than characterization and realism,—there is decoration. Every object,—hat, cravat, coat, riding whip, boots, columns, and dado in the background, makes a pattern that forms a decoration. This quality is much admired by Sargent's fellow artists. In the Metropolitan Museum, New York, there are three notable portraits by Sargent, of Henry G. Marquand, Wm. M. Chase, and Robert Louis Stevenson, wherein this decorative pattern-making may be discerned. In the Marquand, the white chair now appearing and now disappearing in light and dark tones; in the Chase, the palette, the maul stick, and the blue cravat pin, are placed to form pleasing "spots" in the pattern of the canvas. Alongside of the portraits by Sargent, the cast-in-one-mold portraits of our early painters, like Huntington and Elliot, seem as perfunctory as does a sophomore's thesis alongside of a polished essay by Walter Pater.)

From a photogravure in the *London Art Journal*.

he joined them, and he was president of the Society of American Artists from 1897 to 1906. And still later, when men like Dewing and Twachtman changed the character of their academic technique, caring less for the display of brush work than for the "feeling" that permeated their canvases, La Farge's work could hang side by side with theirs, and even at times excel it. Indeed, strange to say, the more they advanced the more they seemed to revert to the delicacy of his 1868 picture, "Paradise Valley, Newport." And when this picture was hung in the Comparative Exhibition in 1905, it seemed cousin german to the works of Sisley and Monet, the ultra impressionists of France!

His greatest painting is probably his large decoration representing the "Ascension," in the Church of the Ascension, Fifth avenue and Tenth street, New York City. This has at once all the qualities of the old masters, as well as all the qualities of the American school of painting. Like an old master, it is rich in its composition and beautiful in drawing; but it is lighter, more atmospheric, more pearly in color than the altar pieces of the Old World.

La Farge was born with a strong predilection for color, and his workings in stained glass have developed his knowledge of the effect of the juxtaposing of colors, and their reciprocal effects upon one another. But his color has neither become Rubens-like in effect, nor has it the rich textural effects of an Abbey, nor the brilliant realism of Sargent, nor the dry luminosity of the impressionists; the pearly tints that he found in the sea-haze when making his early studies from nature at Newport, seem to have permeated all his future paintings, so that the rich blue robes of his figures, and the hyacinth-tinted wings of his angels, are modeled with prismatic colors, and are bathed in a slight amber and opal mist.



Copyright, 1889, by John La Farge.

"THE ASCENSION," BY JOHN LA FARGE.

(Decoration in the chancel of the Church of the Ascension, New York. The scene is on the Mount of Olives at Bethany. "And He lifted up His hands and blessed them. And it came to pass, while He blessed them, He was parted from them, and carried up into heaven," St. Luke, xxiv, 50, 51, "and a cloud received Him out of their sight. And while they looked steadfastly toward heaven, as He went up, behold two men stood by them in white apparel, which also said, 'Ye men of Galilee, why stand ye gazing up into heaven? This same Jesus, which is taken up from you into heaven, shall so come in like manner as ye have seen Him go into heaven.'—Acts 1, 9-11. The space is large, some thirty-five feet high and about as wide, making it one of the largest pictures in the world, and the subject is expansively treated. There is plenty of light on the canvas, and an out-of-doors effect is realized.)

Beside keeping as a painter abreast of, and sometimes in the lead of, our younger painters, who have worked for sustaining the supremacy of color, Mr. La Farge has also been pre-eminent as a designer. The flow and harmony of the mere lines in such windows as his "Ayer Memorial—An Angel Troubled the Water," are so rhythmic that they have all the charm of a Raphael. A Raphael, we all know, may be reduced, or engraved, or transferred, by a less knowing hand, and yet will always retain its charm of adjustment of line.

La Farge learned much in the science of design from the Japanese, yet he does not imitate them. Even in his windows, where

line is a fundamental and a very obvious element in the mode of expression, there is no making us feel, as is the case with the Japanese, that the outline is a major part of the design. On the contrary, as in the best Italian work, the outline is present, but is welded into the plastic forms.

It must not be thought La Farge's composition consists solely of beauty in color or line. There is an invention to everything he does that marks it as having been evolved from a mind, that, like Michael Angelo's, Millet's and Rembrandt's, sees things only in the essence. Just as in Michael Angelo's "Creation," there is in La Farge's illustrations (like "The Wolf Charmer," 1864, and his



"PORTRAIT OF MISS AMY HOWE."

BY WILLIAM M. CHASE.

(Many second-rate but popular portraits look so shiny that they appear to have been smeared all over with vaseline. The charm of Mr. Chase's portraits is that there are no forced passages, no glittering high lights, no "slicked-up" details that leap out of the canvas,—all recede into their proper places within the frame.)

painting of the same subject made over forty years afterward), a directness of expression belonging to great art. As with a Rembrandt "Tobit," or a Millet "Angelus," they are drawn not casually or plausibly, but so synthetically that they are to ordinary work as classic literature is to journalism,—something for all time.

Still another attribute of La Farge's genius is his unerring taste in his interior decorations. He has the same architectural feeling that William Morris had; though where Morris is Gothic, he is of the Renaissance. Morris was sensitive to the "all-over" decoration, but La Farge is too fond of form to be satisfied with mere pattern; even in stained glass he models by plating (putting one layer of glass over another).

It is to be regretted that La Farge has not

had given him some public building in New York, that he might have decorated throughout, controlling the color harmonies from cellar to roof so he could have set a precedent for the younger decorators to follow.

SARGENT, CHASE, AND OTHER PORTRAIT PAINTERS.

Sargent and Chase may be selected as the brilliant technicians of our school.

John S. Sargent's art is, as is his reputation, and we may say his citizenship, international. He was born in Florence, received his art education in Paris (under Carolus-Duran) and it is only by virtue of his American parentage that he may be classed among our painters. As in the case of Whistler and Saint Gaudens, his art is universal, not native. Probably a foreigner studying Sargent's portraits closely would be able to discover slight ear marks of American tradition in his way of portraying a sitter, but an American regarding them, sees but a touch quite unhampered by any national brogue. His art is the most universal of any living painter's. The director of an art school in Germany, Russia, France, or England, wishing to hang up an example of indubitable craftsmanship for his pupils to follow, might hesitate at selecting a Lenbach, a Zorn, an Aman Jean, a Boldini, an Orchardson, because of some marked German, Swedish, French, Italian, or English traits prevailing in it, but he could safely hang up a Sargent upon the merits of its universality.

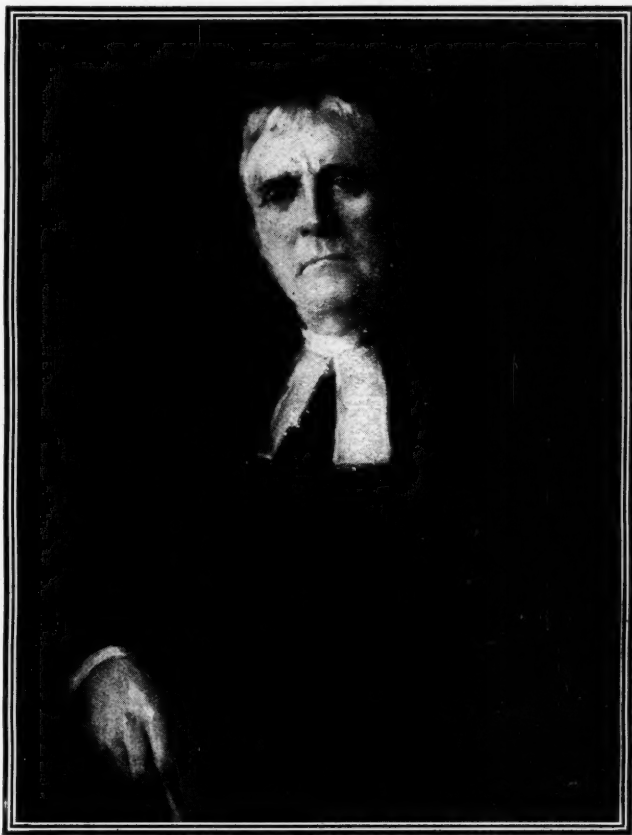
Characterization is the chief note of Sargent's style. No matter how much some artists may find fault with what they consider a too frank rendering of carnal form, of his being wholly objective, and no matter how laymen may find fault with his, in their opinion, liability to portray the sinister nervous side of his sitter's personality, neither artist nor layman ever dreams of accusing Sargent of painting a characterless picture.

Sargent's paintings are landmarks to which the student of painting refers. And they nearly always mark an *ultima Thule* in the divers fields of personification. How far can one go in the characterization of the type of man who drives bargains? Surely no further than the art dealer "Wiertheimer's" portrait. How far can the characterization of the scholar type go? Hardly further than the poet "Coventry Patmore's" portrait. How far can the characterization of national feminine types go? Hardly further than the "Misses Hunter" or the "Misses Vickers"

portraits, or the "Carl Meyer Family." How far can the characterization of aristocracy go? Hardly further than the "Lord Ribblesdale" portrait,—here we have masculinity portrayed to the utmost. How far can the characterization of poise go? Hardly further than in the "Carmencita."

The painter of the "Lord Ribblesdale" portrait certainly proves himself the confrère of Velasquez. The man and his garments form a perfect unit. It is partly by virtue of his still-life painting that Sargent is a stupendous portrait painter; for in his canvas he "relates" the environment,—a hall, a screen, a chair, a rug, a parrot,—so knowingly to the sitter's figure, that the vividness of the portrayal is enhanced, as it is on the stage by the costumes, wigs, scenery, and music, over and above the mere reading of a play in a bare assembly hall. The actor who could not move his audience without these theatric adjuncts is no actor at all, but every good actor knows their value and prefers to obtain his maximum effects with them. The painter who cannot paint a head against a simple background is no painter at all,—Sargent can do it, and often has done it,—but he prefers the more telling effect obtained by a *mise en scene*.

There is a finish in Sargent's work that is quite new in American art. Not the finish usually accepted as such by the layman, a niggling that brings out unimportant details quite irrelevant to the effect of the whole, but a building up upon a broad organic foundation of a superstructure of vital facts; woven by a thousand half-tones and flecks of gray,—few painters strike their grace notes of gray more legato than does Sargent,—these constructing notes rounding the planes



"PORTRAIT OF DR. SPARHAWK JONES," BY WILLIAM M. CHASE.

(It is only an art student who can appreciate the fact that behind the brush-work in this head is a knowledge of the "planes" of the face equal to a surgeon's knowledge of the muscles of the face. It is only after years of practice in the study of painting that the human eye is able to discern all of the many planes in a rugged countenance like this.)

here, accentuating certain needed edges there, or supplying high-lights upon finger nails, knuckles, nose, or jaw, are like the brackets, gargoyles, and finials of flamboyant gothic, that add perfection to the already organically planned edifice.

William M. Chase is usually ranked next to Sargent among our portrait painters. He is not so brilliant as Sargent. His canvases do not "carry" as do Sargent's, but he has sober qualities, as for instance in his "Lady with a Shawl," that make his figures set well behind the frame, as a portrait should, and give his canvases a dignity that has had good influence on American art.

Indeed, under the influence of Sargent and Chase, there has been little excuse for, and we are happy to say, few examples of, colored



"WINGED FIGURE," MEMORIAL TO ROBERT LOUIS STEVENSON.
BY ABBOTT H. THAYER.

(Typically American, though the theme of a woman's figure representing "Memory," "Victory," "Thought," "Hope," or "Faith" has been repeated thousands of times. Italian and German cemeteries are full of such figures, and the French use them in mural paintings and on medals. But the type here represented is not found in European art. The sentiment and the feeling is entirely native.)

From a copyrighted photograph loaned by Knoedler & Co.

drawings on a canvas; the painted subject is the rule in America to-day.

Indeed, in studying Sargent and Chase together one exhausts fairly well all the representative phases of American portraiture. Though it is not to be intimated that other painters, like Alexander, Beckwith, Eakins, Miss Lydia F. Emmet, Duveneck, Decamp, Fowler, Franzen, Fromke, Glackens, Henri, Kendall, Lockwood, Major, Moschowitz, Rice, Shannon, Rosina Emmet Sherwood, Shinn, Mrs. Sears,

and to-day he paints with a pure color that has little trace of any foreign influence, though in reality he is a close student of Velasquez.

The strength of his work consists mainly in a keen sense of construction. He has painted probably more still-life studies than any artist in this country, as well as many landscapes, though he is best known for his innumerable portraits. In them his knowledge of construction is prominently brought into play, each stroke of the brush bringing

Smedley, Vinton, Vonnoh, and Irving R. Wiles, have not developed methods of their own which are quite worthy of recognition, but limited space prevents our recording their fine qualities.

Chase, for his splendid work in instructing the American public, both through the innumerable pupils he has turned out, in over thirty years' teaching, and in his continual exhibiting of well-handled canvases, deserves to be ranked next to Sargent as an influential factor in the development of American painting. Many of the younger portrait painters who to-day follow Sargent very closely, received their fundamental instruction from Chase.

His own student days were passed in Munich, and on his return, about 1878, he showed, like Duveneck, Shirlaw, and Currier, in his heavy, bituminous shadows, distinct Munich influence. But it was not long before his palette became considerably lightened,

out a plane of the face, and each plane properly related; till a head, with its full volume of rotundity is relieved from the background in a masterly manner.

ABBOTT H. THAYER A PAINTER OF THE IDEAL.

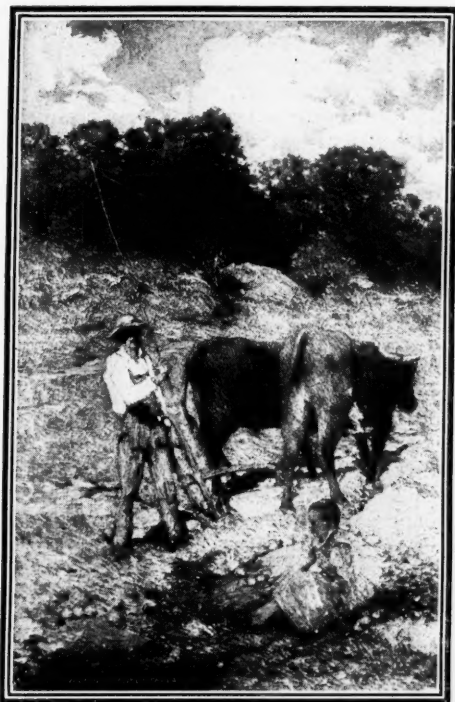
Abbott H. Thayer, as a painter of the ideal, stands where Sargent and Chase stand as portrait painters. His reputation is perhaps limited because he himself has specialized, and the gamut of his subjects is narrow. They are almost entirely figures of young womanhood. His style is eminently stable, and has changed but little since he first took up figure work,—his early exhibits were mostly of landscapes and cows.

Like Mr. Blashfield, he originates types; his faces are not the faces of the average ideal canvas; they almost suggest the creations of a sculptor, calm, reposeful, soulful, and appealing; they are among the most thinking pictures (if we may use so clumsy an expression) in American art. His faces are so spiritually beautiful that he might fairly be called our Botticelli. Not that his types closely resemble the Tuscan's, nor that he cares at all for the naturalistic treatment of a multitude of objects in a single picture; indeed, his taste is quite the opposite, and except for the figure, his canvases are more blank than any other American painter's; but they are like Botticelli's inasmuch as they are to be admired for their sheer beauty; and that they are part national and part strongly individual, just as Botticelli's were. Like Botticelli, he often selects the emblematic figure, and his lovely memorial to Stevenson, that we here reproduce, is full of that same seductively human beauty that we associate with the serene Madonnas, Nymphs, and Athenas of Botticelli.

THOMAS W. DEWING.

Thomas W. Dewing stands for the æsthetic principle in art. He is like a medalist who strives for perfection of arrangement within limited space.

As Thayer may be called our Botticelli, Dewing may be called Giorgionesque. The Giorgionesque symbolizes the idealistic composed of the not too familiar, the mélange of modern and antique, as witnessed in the clothed men but nude women in Giorgione's "Concert Champêtre." Dewing's figures are costumed in the mode of to-day, but they are not ultra fashionable. Flowing gowns suggest drapery. His women are seated in



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"PLOUGHING FOR BUCKWHEAT."

BY J. ALDEN WEIR.

(A forcible example of modern landscape. There is no attempt at picturesqueness here. The picture does not look "composed." The tiny bit of landscape gives suggestion of much that is beyond and outside of the picture, the sky effect being particularly strong in this regard.)

Colonial chairs, or they trip stately measures, like the parvane, in dreamy landscapes. His color is perhaps his greatest charm.

His pictures, mostly small, though treated in miniature style, do not have that high finish of a Meissonier that we expect in a cabinet piece. Nor are they quite like the Dutch school. Tarbell is more like Vermeer than is Dewing. The painter's style is quite his own, founded upon a keen sense of the beauty of touch, selection, decoration, and atmosphere.

WEIR, HASSAM, WALKER, METCALF, TRYON, RANGER.

It is perhaps in our landscapes that we find most saliently the "tuneful sweet" attribute of American painting. Should one select Weir, Hassam, Walker, Metcalf, Tryon, and Ranger, as typical landscapists, he would find that there were no harsh

notes, no forced passages, no keyed-up color, in any of their paintings.

A brief characterization of Weir's work will give the reader, we trust, some slight idea of the general aspects of American landscape at its best.

Of all the artists in this group, J. Alden Weir is the most of an experimentalist. Like Whistler, he has been much influenced by the Japanese, and many of his compositions are purposely painted flat, and in them "spots" of color are balanced as in Japanese prints, and the local color of these spots is beautifully considered. The reds of a child's chair and ball in one of his early portrait groups, are particularly "mat" and ceramic-like in their chromatic quality.

But some of his later canvases are quite the opposite to flat, indeed their charms depend upon the consummate knowledge of managing subtle planes, which nevertheless do not appear obviously as brush work (as in Hals and Rubens), but blend in a close harmony of tones, such as make Whistler's portrait of Miss Alexander one of the most marvelous essays in pigment the world has ever seen. Weir's "Rose Pink Bodice" is not an essay in drawing, not a problem in

chiaroscuro, but is an essay in suave pigment, as delicate in its graduations of tints as the color tinctures of an orchid.

In his landscapes, as in "Ploughing for Buckwheat," there is always more of the vastness of nature than his small canvases, or the modesty of the subjects, would at first suggest. He seems to have in mind Millet's dictum that: "Every landscape, however small it may be, ought to suggest the possibility of indefinite extension; the tiniest corner of the horizon ought to be so painted as to make us feel that it is but a segment of the great circle which bounds our sight."

American landscape is no longer topographical, as it was in the by-gone days of Cole, Bierstadt, and Church and the panoramic "views." There is not a vestige of Düsseldorf influence left.

Our artists are slowly working toward an American school that is honestly native, without any transmuted foreign conceptions of what a picture ought to be; this may be felt in viewing "Ploughing for Buckwheat."

True, this distinctive quality of our art is little more, just yet, than a negative one,—it is not so much that it is forced upon us that such a picture is native, as it is that we



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"TWILIGHT,—AUTUMN," BY DWIGHT W. TRYON.

(The extreme delicacy of the rendering, the modesty of the subject matter, the sacrificing of all detail for the effect of the haziness of autumn, is characteristic of this painter's refinement of expression.)

in the collection of W. K. Bixby, Esq.



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"MOONRISE,"—A CANADIAN PASTORAL, BY HORATIO WALKER.

(Simple in treatment, the composition carefully balanced, and the theme an unhackneyed one. Walker, though less of an impressionist than Welf and Hassam, paints with the same delicate feeling for values. He uses perhaps a little richer color scheme, and shows more of a tendency to make a picture in the popular sense. He has sometimes been called the Millet of America, because he selects the farmer with his cattle as the subject matter for his pictures, but rarely are his figures as dominant an element in the composition as are Millet's. Most of Walker's subjects are found in Canada, where he resides.)

In the collection of Dr. Alexander C. Humphreys.

become aware that it is native when we try to tabulate it, or compare it with other art. Imagine using an Old World title and calling such a picture as "Ploughing for Buckwheat" "rural," or "pastoral," or "bucolic," or even using the epithet "picturesque!" Think of comparing it with English "park scenery!"

The truth is, our painting really is so distinctively American that all these adjectives fail to convey to the mind any idea of its content. It is only by such comparative analysis that we find out just what is the substance, the essence of our own art.

And so throughout the whole category of our painters, Hassam, Metcalf, Tryon, Horatio Walker, Lothrop, Benson, Tarbell, Reid, a key is struck in their landscapes that seems to have different intervals than the conventional European key. In Eastern music is found a scale with quarter tones.

May it not be that American landscape will go so far in delicacy of modulation that we shall add quarter tones to our color scale?

In looking at the work of these painters, one sees how slightly objective painting really is, and how it is on the contrary thoroughly subjective,—“nature seen through a temperament.” Nature has not changed since the days of the Hudson River school, but the temperament of our painters has changed.

Edmund C. Tarbell, F. W. Benson, Robert Reid, Willard Metcalf and Edward Simmons are men who were educated in France upon academic principles, but have broken away from the tight method of the schools, and have evolved methods of their own.

In 1898 Metcalf painted "The Fury of the Bacchantes," just as Dewing painted his "Sorceress," in 1878, in the academic style of the Gérôme atelier.



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"SUMMERTIME," BY CHILDE HASSAM.

(An exquisite example of modern landscape painting; the delicacy of the laurel flowers relieved against a gray sky full of the vibration of a summer's wind. Childe Hassam in his "Old Church at Lyme" proved that the line between realism and impressionism is very slight. One might hazard a guess that a photograph of that painting shown to the average person not posted in art, would be mistaken for a photograph from nature.)

What strides these painters have made since their apprenticeship days! There was about as much quality in Metcalf's "Bacchantes" as in an unwashed raw potato. Yet his "May Night," an old house in Lyme, exhibited this year with "The Ten American Painters," and loaned by the Corcoran Art Gallery, contains more "quality" than Gérôme's atelier would see in half a century! Here again we find the "tuneful sweet" key. Surely any fair minded person looking at such a painting as Metcalf's "May Night," or Hassam's "Old Church at Lyme," must feel that our artists have often excelled the "Pointellists" from whom they learned much, in that they obtain the same effect of vibration that the "Pointellists" aim at, without their rough mode of address.

William R. Ranger does not belong to the group of "The Ten American Painters," as do the artists previously mentioned in this section, but he represents as fully as they, the modern tendency in American art toward light coloring. The molasses-brown shadow of the old landscape has received its death

knell. The uniting of the sky with terra firma is also a marked characteristic of modern work that finds verification in Mr. Ranger's canvases.

Besides the painters we have named, and those listed in the next section in speaking of moonlight effects, there are scores of landscapists who, like Mr. Ranger, paint with a colorful brush; among them are Bogert, Bunce, Coffin, Cooper, Coleman, Crane, Currier, Dearth, Dewey, R. S. Gifford, Groll, Hitchcock, Alexander Harrison, Birge Harrison, Kost, C.

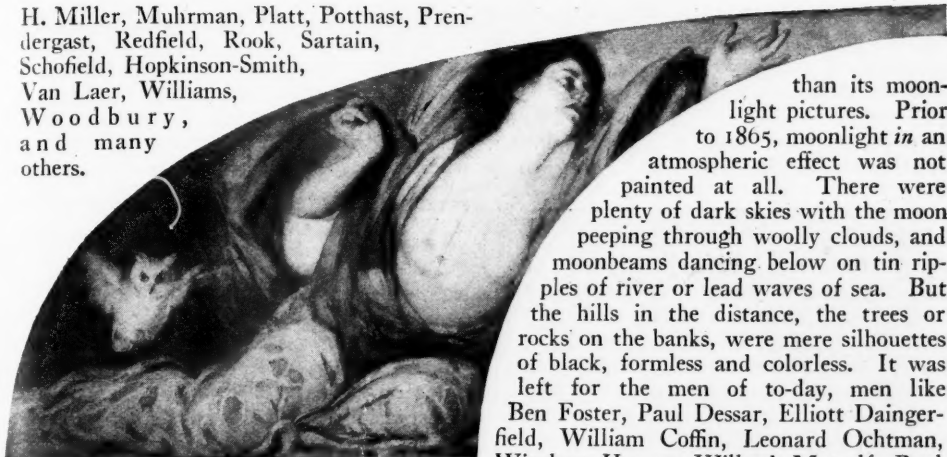


"THE BELATED RETURN," BY VAN DEARING PERRINE.

(A very direct and graphic portrayal of a moonlight night. The story is told without any of the usual overworked details.)

In the collection of Mrs. J. Montgomery Sears, of Boston.—From a photograph loaned by the New Gallery.

H. Miller, Muhrman, Platt, Potthast, Prendergast, Redfield, Rook, Sartain, Schofield, Hopkinson-Smith, Van Laer, Williams, Woodbury, and many others.



Copyright, 1898, by Edward Simmons.
Copley Print, Copyright, 1899, by Curtis & Cameron.

"NIGHT," BY EDWARD SIMMONS.
(One of the panels of "Night and Morning," illustrating Swinburne's poem, "Before Dawn." Decoration in the home of R. A. Canfield, Esq., New York.)

than its moonlight pictures. Prior to 1865, moonlight in an atmospheric effect was not painted at all. There were plenty of dark skies with the moon peeping through woolly clouds, and moonbeams dancing below on tin ripples of river or lead waves of sea. But the hills in the distance, the trees or rocks on the banks, were mere silhouettes of black, formless and colorless. It was left for the men of to-day, men like Ben Foster, Paul Dessar, Elliott Daingerfield, William Coffin, Leonard Ochtman, Winslow Homer, Willard Metcalf, Paul Dougherty, C. H. Davis, Van Perrine, D. W. Tryon, to demonstrate that a tree, a field, has its full quota of color in the moonlight as in the daylight. A moonlight by these artists is as fully wrought out as a

WINSLOW HOMER: SURFACE; LIGHT; ATMOSPHERE; VOLUME.

Winslow Homer, like John La Farge, is comparatively self-taught. His idea of technique is simply a means to an end. His effects of sunlight or firelight or starlight, obtained in oil or water color, attract because of their vividness, and not, as in the case of Dewing, because of beauty of workmanship.

Homer's genius is two-edged; he not only paints a water color sketch full of force and sparkle, but he also paints a masterpiece in oil with all the planning, and editing, and rounding off that go toward making a composition that shall have monumental spacing and balancing and directness of appeal. Each of his sea idyls is as complete an epitome of our marine workers' life as is Gray's "Elegy" an epitome of the life of the English peasant. These idyls are "The Life Line," "The Look-Out,—All's Well," a part of a ship's deck, showing a sailor and the ship's bell above him,—this bronze bell seen in the starlight is a rare piece of painting,—"In the Gulf Stream," now at the Metropolitan Museum of Art, and "Eight Bells," a sailor with his sextant seen in a fog.

ALBERT P. RYDER.

There is, perhaps, no more significant feature of our landscape art to-day, as opposed to that of the Hudson River school (the prevailing art of, say, 1845 up to 1865),



Copley Print, Copyright, 1901, by Curtis & Cameron.

"PHOEBE," BY ALBERT E. STERNER.

(Among the younger artists, many of them, like Mr. Sterner, are proving their ability to portray racial types by delineating, as here, with a perfectly unaffected art, without affectation or bravado, the personal characteristics of the subject.)

daylight scene, and their gamut of pale or half defined colors is such as was unknown to the more primary color schemes of Bierstadt, Church, Durand and Cropsey.

These artists obtain this effect by the recognized vernacular of modern painting, but Albert P. Ryder uses a patois entirely

his own,—a mixture of paints and varnish, much like Blakelock's and Monticelli's pigment. His works are less a reflex of nature than an evidence of power, that like Blake's, transcends mere draughtsmanship. His paint and varnish appeal to our imagination, even where the technique is childish.

FORCEFUL DESIGNERS: BRUSH, BLASHFIELD, VEDDER, ABBEY, SIMMONS, COX.



"IN THE GARDEN," BY GEORGE DE FOREST BRUSH.
HEARN COLLECTION, METROPOLITAN MUSEUM, NEW YORK. A PICTURE
OF THE ARTIST'S WIFE AND
CHILDREN.

(A beautiful piece of draughtsmanship, showing the artist's keen sense of composition. Never is there a sketchy or slightly brushed-in passage in one of Brush's canvases. Every head, every foot, every hand, is "considered." The curves of the hands are particularly graceful.)

From a photograph by the Museum photographer, Metropolitan Museum, N. Y.

In art, the term "composition" is of wide significance. The most rapid sketch by Whistler, of any subject whatever balanced by his emblem the butterfly, or the simplest Japanese design of a grasshopper on a single blade of grass, may be perfect composition. But outside of the arts of the Japanese the term "composition" usually implies a successful, well-balanced arrangement of many elements. When, therefore, we wish to affirm that one of the chief charms of George de Forest Brush's work is his "composition," we refer to his ability "to place" a single figure, as the Indian in "The Aztec Sculptor," "Mourning Her Brave," and "The Silence Broken," or to arrange a group, as in his "Picture Writer," and in many of his pictures of a mother and her children. Brush seems to care little for atmospheric effect, and technically his painting does not appeal to one's æsthetic sense. But his drawing has the firmness that characterizes the work of Ingres and Gérôme.

Edwin H. Blashfield is pre-eminently a creator of beautiful types. In his Boston and Congressional Library decorations, he has used the general characteristics of Mary Anderson, Ellen Terry, and other beautiful women of our day, and has succeeded in evolving types of symbolic womanhood that seem almost alone in the history of American paintings. They are in marked contrast to the ideal heads in the painting and sculpture of fifty years ago, when artists seemed to think it necessary to borrow their forms from classical sculpture, so that heads of Venuses, Dianas, and Minervas surmounted the "Americas," the "Liberties" and the "Arts" with such regularity that one would suppose that some edict had been issued that our artists were not to observe nature for themselves!

Elihu Vedder is unique in American art. Although Allston, Cole, and Rimmer in the past, and A. P. Ryder and A. B. Davies in the present, placed one foot within the Temple of Mystery, they did not make it their domicile as has Vedder. He is, indeed,



From a photograph, 1903, by J. W. Schaefer.

DECORATION FOR THE BALTIMORE COURT HOUSE, BY E. H. BLASHFIELD.

(The sense of beauty is a fundamental requisite for the true decorator. Mr. Blashfield realizes this as do few other decorators. To cover a wall space with a mere allegorical group is a task easily learned. Our walls are full of emblematic figures, but when we come to examine them we find they are of a coarse type, or else slavish copies of the classics. Mr. Blashfield's beautiful heads are neither, but are original creations of distinctive beauty.)

to be ranked with Blake, Moreau, Victor Hugo, and Rops. Vedder never plays with his art, and the seriousness of his designs commands respect. As illustrations, his Rubaiyat designs are unequaled; they at times add beauty not in the quatrains. His color sense, however, has been but little trained.

Edwin A. Abbey is an example of a successful illustrator having turned painter; the result has been that he seems very sure of himself as regards composition, though, strange to say, in most of his decorations, like the Holy Grail series in the Boston Public Library, he has crowded his space much more than he did in his illustrations. In his early black and white work, and in his water color drawings, he was, like Mr. Brush, a master in making one or two figures beautifully balance a stretch of background. But the rhythm required in the massing of a well

crowded canvas, such as we find in Italian decoration, is not always prevalent in Abbey's mural work.

Edward Simmons is not a frequent contributor to our exhibitions, hence his easel-pictures are not well known; but those who have kept posted upon the progress of mural painting in this country are familiar with his decorations in the Criminal Court, the Appellate Court, and the Waldorf-Astoria, New York, the Congressional Library, Washington, the State House, Boston, Mass., and the State Capitol, Minnesota. His methods are large, his brush work sweeping, his color light in key, and his compositions, when embodying historic or emblematic subject matter, are thoughtfully and accurately wrought out.

Kenyon Cox proves by his valuable critical writing that he possesses a sound and precise taste, which re-enforced by years of



"THE MORNING TOILET," BY MARY CASSATT.

(Miss Cassatt's workmanship is thoroughly modern. Though subjects of this kind were painted often by masters like Reynolds and Lawrence, their workmanship was much heavier, and their shadows more forced,—the true "values" of the light flesh and draperies and their luminous shadows, against the background, were not preserved as faithfully as here.)

From a photograph loaned by Duran-Ruel.

Paris training, permits him to rank among our most academic painters.

Other painters who are pre-eminent in figure work, either in history or genre, are: Bell, Ballin, Breckenridge, Burroughs, Bridgman, Caliga, Mrs. Louise Cox, Curran, Mrs. Dewing, Du Mond, Dannat, Glackens, Hale, Koopman, Low, Loeb, Millet, Mowbray, Macmonnies, Melchers, McEwens, Marr, G. W. Maynard, Murphy, Newman, Miss Oakley, Mr. and Mrs. Prellwitz, Mr. and Mrs. Sewell, Shinn, Tanner, Turner, Volk, H. O. Walker, and Shirlaw.

However successfully the Greek, Gothic, and Renaissance artist practiced story-telling, we must remember that art has changed considerably since those days, and problems not known to the ancients, of the beauty of mere form and color, especially the latter, have arisen to occupy the mind of the painter.

MARY CASSATT AND CECELIA BEAUX.

Although the American public has rapidly learned to appreciate good color, it is very slow in recognizing good draughtsmanship.

Miss Mary Cassatt is known but very little outside of the circle of connoisseurs, and yet her drawing is so exquisite that her etchings rank with the classics in the art. In her paintings her draughtsmanship serves her in rendering form with a maximum effect, to which she adds a hypersensitive feeling for values.

Cecelia Beaux paints the pretty child,—her little "Cynthia" is exquisite,—or the adult, with a brushwork closely approximating Sargent's, while her ideal subjects, as



Copley Print, Copyright, 1902, by Curtis & Cameron.

"THE SURPRISE," BY KENYON COX.

(Mr. Cox is a deep student of composition, and his distribution of line is always thoughtful. There is a harmony here in the swirl of the scarf and the lines of the drapery and the figures, that remind one of Guido Reni.)

her beautiful "Reverie" (or the Dreamer), have a soulful and poetic appeal.

PERRINE, STERNER, AND THE YOUNGER MEN.

Among the younger painters, men like Van Deering Perrine, Albert Sterner, Eugene Higgins, Jonas Lie, Paul Dougherty, Jerome Myers, Leon Dabo, Scott Dabo, and George Luks, are proving their ability to see for themselves, rather than imitate the stereotyped methods of the past.

Perrine can express the concrete phases of nature,—wind, storms, snow, ice, starlight,—with rare frankness and sureness, using shades of color,—browns and grays,—never seen on canvas before.

VICTORIA: QUEEN, WIFE, AND MOTHER.

THE DEVELOPMENT OF HER CHARACTER AS SHOWN IN HER LETTERS.

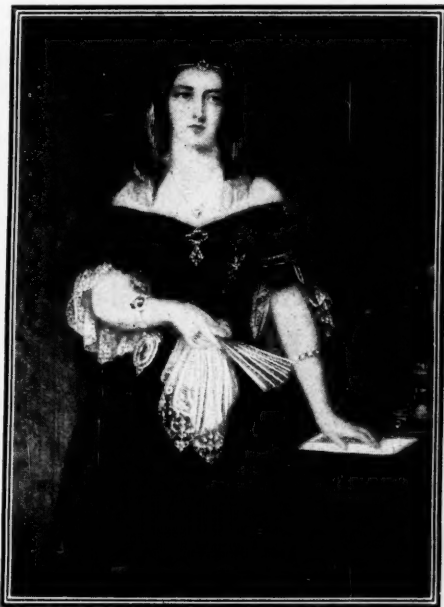
BY JEANNETTE L. GILDER.

TO read these three volumes of Queen Victoria's letters* gives one an insight into the life of this great ruler and noble woman that one gets from no other source. In these letters, from and to the Queen, we see her in public and in private life; the ruler of a great nation, the devoted wife, the unselfish mother.

Viscount Esher and Mr. A. C. Benson, the gentle essayist, have had 600 bound volumes of manuscript to read and digest in the making of this book, and they have had King Edward at their elbow to aid and abet. Every page of proof was read by His Majesty before the word to publish was given. This delayed the publication for fully two years, for kings have little time to spare for private duties. His Majesty was not only deeply interested because of the personal character of these letters, but because of their bearing upon public questions.

It is not for reason of the latter attribute that I find these volumes absorbing, but because they show us, as we have never seen before, the awakening and development of a woman who at the age of eighteen became the ruler of a mighty nation. Not only a ruler, but a wise and just ruler. With no taste for politics or affairs of state, she mastered the details of both, and administered them as they had not been administered in many reigns. Neither George IV. nor William IV., whom she succeeded, were admirable as rulers or men, and, as her editors say without exaggeration, "the accession of the Princess Victoria reinstated the English monarchy in the affections of the people."

From her earliest childhood it had seemed more than probable that the Princess Victoria would in time become Queen of England. Her mother, the Duchess of Kent, appreciated this probability and trained and educated her daughter with that end in



Courtesy of Longmans, Green & Co.

QUEEN VICTORIA IN 1840.

(At the time of her marriage.)

From the portrait by John Partridge at Buckingham Palace.

view. She was not taught to be proud and overbearing because she might one day be the ruler of England, but she was, on the contrary, brought up to be just and kind, to control her temper, while not subjugating her will. In the pages of her journal, which are quoted in this book, the Queen tells us that her mother brought her up most simply, and not until after her accession did she have a room to herself. What do the young girls of this republic who have their bedrooms, their boudoirs, and their private bathrooms, say to such simplicity? From her letters and journals we gathered that although the young Princess was of an affectionate and exceptionally feminine temperament, she was at the same time high-spirited and inclined to be wilful. She liked

* THE LETTERS OF QUEEN VICTORIA. A Selection from Her Majesty's Correspondence Between the Years 1837 and 1860. Published by authority of His Majesty the King. Edited by Arthur Christopher Benson, M. A., and Viscount Esher, G. C. V. O., K. C. B. 8vo. New York: Longmans, Green & Co. Three volumes, \$15.

the stir of London and enjoyed dancing, though it kept her up till early morning. She also loved music, particularly singing, but was not much given to the theatre. Pictures she loved, but her taste in this line might have been improved. She was fond of reading, and her mother wisely guided her along the paths of history and political science.

One of the chief blessings of Queen Victoria's childhood and middle life was the influence of "an enlightened and high-minded

he drew the rein too tight, but she arose to these occasions and expressed her dissent in terms of affection, but firmly.

Another person who had a large share in forming the Queen's character was her governess, Louise (afterward Baroness) Lehzen, the daughter of a Hanoverian clergyman. In the pages of her journal, recording the story of her coronation, the Queen particularly speaks of her pleasure at seeing her dear Lehzen at the Abbey, and mentions that they exchanged smiles on this momentous occasion.

One great bond of union between Queen Victoria and her uncle Leopold was that the first suggestion of her marriage to Prince Albert came from him. When Queen Victoria first saw her cousin Albert she admired him immensely, both for the beauty of his person and of his mind. After getting better acquainted with him she liked him very much, but she wrote her uncle that she had not "the feeling for him which is requisite to insure happiness." At any rate, she wrote, she was still young and it was not necessary for her to marry for two or even three years. But, alas, for prudence when the "requisite" feeling came! It was while he was visiting at Windsor Castle, in 1839, that she decided that a few months was a long time to wait. Being a queen, it was she who proposed, and he took kindly to the proposal. "My mind is quite made up," she wrote, "and I told Albert this morning of it; the warm affection he showed on learning this gave me great pleasure. He seems *perfection*, and I think that I have the prospect of great happiness before me." He was quite ready to make the sacrifice for her sake, she wrote King Leopold. A sacrifice she insisted that it was, for she knew that to be the husband of a queen was no sinecure. It meant criticism and it meant opposition, for he was a German prince, and the German influence was not agreeable to Englishmen. Just after she had proposed and been accepted, Queen Victoria wrote to her uncle from Windsor Castle:

I write to you from here, the happiest, happiest being that ever existed. Really, I do not think it *possible* for any one in the world to be *happier*, or as happy as I am. He is an angel, and his kindness and affection for me is really touching. To look in those dear eyes, and that dear sunny face, is enough to make me adore him. What I can do to make him happy will be my greatest delight.

There was some talk of making the Prince Consort a peer of the realm, but Victoria considered this unwise, and said so plainly,



Courtesy of Longmans, Green & Co.

THE DUCHESS OF KENT.

(Queen Victoria's mother, a wise and just woman, who trained her daughter from infancy for her great office.)

From the portrait by John Lucas at Windsor Castle.

prince," Leopold, her maternal uncle. He was the youngest son of Francis, Duke of Saxe-Saalfeld-Coburg. His first wife was the Princess Charlotte, only child of George IV., and during her life he made his home at Claremont, where the little Victoria passed the happiest days of her childhood. His second wife was Louise, daughter of Louis Philippe, of France. In 1831 he accepted the offer of the crown of Belgium, having previously refused that of Greece. Not only did Queen Victoria love her uncle Leopold, but she respected and admired him, and leaned largely upon his judgment. There were times, however, when she thought that

and it was not done. Just before their marriage he suggested that he should choose his own gentlemen. Firmly but kindly she told him that he must leave this choice to her, and he did. Still her "dearest angel" was always a great comfort to her.

"He takes the greatest interest in what goes on," she wrote to her uncle, "feeling with and for me, and yet abstaining as he ought from biasing me either way, though we talk much on the subject, and his judgment is, as you say, good and mild. . . ."

Victoria had always a strong sense of queenly dignity, as well as of queenly duty. She loved domestic life a thousand times more than anything in the world. In her letters to her ministers, she proves that she was equal to the most trying situations. It is not, however, so much the Queen as the wife and mother whom the average reader of these volumes will find the most interesting. Most women, be they subjects or citizens, would, had they the choice, prefer to rule a nation, or at least to be queens, rather than mere wives and mothers. This was not true of Queen Victoria, or if it was, she was much deceived as to her own tastes.

"Albert grows daily fonder and fonder of politics," she wrote King Leopold, "and business, and is so wonderfully fit for both,—such perspicacity and such courage,—and I grow daily to dislike them both more and more. We women are not made for governing,—and if we are good women, we must dislike these masculine occupations. . . ."

Let the "suffragettes" put this in their pipes and smoke it, or, rather, pin it in their hats and remember it. If the greatest queen since Elizabeth could lay her hand on her heart and say "we women are not made for governing," she spoke by the card. She had tried it and she found herself wanting. And yet when her uncle Leopold wrote his congratulations upon the birth of her first child,—later the Empress Frederic, mother of the Emperor of Germany,—she replied:

"I think, dear uncle, you cannot really wish me to be the 'mamman d'une nombreuse famille,' for I think you will see with me the great inconvenience it will do to us all," adding that "Albert makes a capital nurse, which I do not." Of her second child, the present King, she wrote Leopold: "He is a wonderfully strong child, with very large dark-blue eyes, a finely formed but somewhat large nose, and a pretty little mouth, and I hope and pray that he may be like his dearest papa. He is to be called Albert, and Edward is to be his second name. . . . I beg you to forgive this letter being so badly written, but my feet are being rubbed, and as I have got the box on which I



Courtesy of Longmans, Green & Co.

THE PRINCE CONSORT.

(Who made the married life of the Queen of England as happy as that of any commoner.)

From the portrait by John Partridge at Buckingham Palace.

am writing on my knee, it is not easy to write quite straight,—but you must *not* think my hand trembles. Ever your devoted niece,

"VICTORIA R."

"Pussy is *not* at all pleased with her brother."

While the Queen consults her uncle on matters of state she does not always act upon his advice. She finds him at times high-handed and prone to dictate, and she cannot tolerate. To him she unburdens freely on domestic matters, however:

Our fat Vic or Pussette learns a verse of *Lamartine* by heart, which ends with "*le tableau se déroule à mes pieds*"; to show how well she had understood this difficult line which Mdlle. Charier had explained to her, I must tell you the following *bon mot*. When she was riding on her pony, and looking at the cows and sheep, she turned to Mdlle. Charier and said: "*Voilà le tableau qui se déroule à mes pieds*." Is not this extraordinary for a little child of three years old? It is more like what a person of twenty would say. You have no notion *what* a knowing, and I am sorry to say *sly*, little rogue she is, and *so obstinate*. She and *le petit Frère* accompany us to dear old Claremont to-day. . . .

After a few days at Claremont they went to Windsor, but evidently the Queen, at least, did not enjoy the change:

Windsor is beautiful and comfortable, but it is a *palace*, and God knows *how willingly* I would *always* live with my beloved Albert and our children in the quiet and retirement of private life, and not be the constant object of observation and of newspaper articles.

They had been married for nearly five years without a day's separation, when Prince Albert was called away for family reasons. "I have never been separated from him even for one night," she wrote her uncle, "and the thought of such separation is quite dreadful." But it was such a comfort to her "dear angel" that she let him go, though it was for a whole fortnight! In another letter to her uncle she wrote:

I could not give you a greater proof of my love for you all, and my anxiety to give you and dearest Charlotte pleasure, than in urging my dearest Albert to go over,—for I encouraged and *urged* him to go,—though you cannot think *combien cela me coûte* or how completely *déroutée* I am and *feel* when he is away, or how I count the hours till he returns. *All* the numerous children are as *nothing* to me when *he is away*; it seems as if the whole life of the house and home were gone when he is away!

As troubles gathered about her head, wars



Courtesy of Longmans, Green & Co.

LEOPOLD, KING OF THE BELGIANS.

(Queen Victoria's uncle and mentor. "An enlightened and large-minded Prince.")

From the portrait by F. Winterhalter at Buckingham Palace.

and rumors of wars, political dissension at home, she wrote:

I feel an uncertainty in everything existing, which (uncertain as all human affairs must be) one never felt before. When one thinks of one's children, their education, their future,—and prays for them,—I always think and say to myself, "Let them grow up fit for *whatever station* they may be placed in,—*high or low*." This one never thought of before, but I *do* always now. Altogether one's whole disposition is so changed,—*bored* and trifles which one would have complained of bitterly a few months ago, one looks upon as good things and quite a blessing,—provided one can *keep one's position in quiet*.

Queen Victoria's domestic troubles came thick and fast. In March of 1861 her mother, the Duchess of Kent, died, and the unhappy Queen experienced her first great grief, but not her last nor her greatest. To her uncle she wrote:

On this, the most dreadful day of my life, does your poor broken-hearted child write one line of love and devotion. *She* is gone! That *precious, dearly beloved, tender mother*,—whom I never was parted from but for a few months,—without whom I can't *imagine life*,—has been taken from us! It is *too* dreadful! But she is at peace,—at rest,—her fearful sufferings at an end! It was quite painless,—though there was very *distressing*, heartrending breathing to witness. I held her dear, dear hand in mine to the very last, which I am truly thankful for! But the watching that precious life going out was fearful! Alas! she never knew me! But she was spared the pang of parting!

The month before this, February 12, 1861, the twenty-first anniversary of the marriage of Queen Victoria and Prince Albert was celebrated.

"On Sunday," she wrote to King Leopold, "we celebrated, with feelings of deep gratitude and love, the twenty-first anniversary of our blessed marriage, a day which had brought us, and I may say the world at large, such incalculable blessings! Very few can say with me that their husband at the end of twenty-one years is not only full of the friendship, kindness, and affection which a truly happy marriage brings with it, but the same tender love of the very first days of our marriage.

Before the end of the year, which had begun so happily, in December, 1861, Prince Albert died, and left a broken-hearted woman to mourn his loss. No woman, be she queen or commoner, could have been more absolutely crushed by this blow than was the Queen of England. Here is her letter to her uncle, which, even at this late date no one can read without emotion:

My own dearest, kindest father, for as such have I ever loved you. The poor fatherless

baby of eight months is now the utterly broken-hearted and crushed widow of forty-two. My life as a happy one is ended. The world is gone for me. If I must live on,—and I will do nothing to make me worse than I am,—it is henceforth for our poor fatherless children, for my unhappy country, which has lost all in losing him, and in only doing what I know and feel he would wish; for he is near me; his spirit will guide and inspire me. But, oh! to be cut off in the prime of life, to see our pure, happy, quiet, domestic life, which alone enabled me to bear my much-disliked position, cut off at

forty-two, when I had hoped with such instinctive certainty that God never would part us, and would let us grow old together!

Although he always talked of the shortness of life, it is too awful, too cruel, and yet it must be for his good, his happiness. His purity was too great, his aspiration too high, for this poor miserable world. His great soul is now only enjoying that for which it was worthy, and I will not envy him, only pray that mine may be perfected by it, and fit to be with him eternally, for which blessed moment I earnestly long.

The greater part of her reign was yet to come, and in all those busy years of "weary, pleasureless existence," she never for one moment forgot the inspiration of the husband who had been the greatest happiness of her life. After her first letter to her uncle, after she had had time to think, she wrote:

My firm resolve, my irrevocable decision, viz., that his wishes,—his plans,—about everything, his views about every thing are to be my law! And no human power will make me swerve from what he decided and wished,—and I look to you to support and help me in this. I apply this particularly as regards our children,—Bertie, etc.,—for whose future he had traced everything so carefully. I am also determined that no one person, may he be ever so good, ever so devoted, among my servants,—is to lead

or guide or dictate to me. I know how he would disapprove it. And I live on with him, for him; in fact I am only outwardly separated from him, and only for a time.

Alas! "Only for a time!" How little she knew that it would be nearly half a century before she joined her "adored, precious, perfect, and great husband, her dear lord and master," as she called him in a letter to Lord Canning, who had just lost his wife. In the same letter she says:

To lose one's partner in life is, as Lord Canning knows, like losing half of one's body and soul, torn forcibly away,—and dear Lady Canning was such a dear, worthy, devoted wife! But to the Queen,—to a poor, helpless woman,—it is not that only,—it is the stay, support, and comfort which is lost! To the Queen it is like death in life!

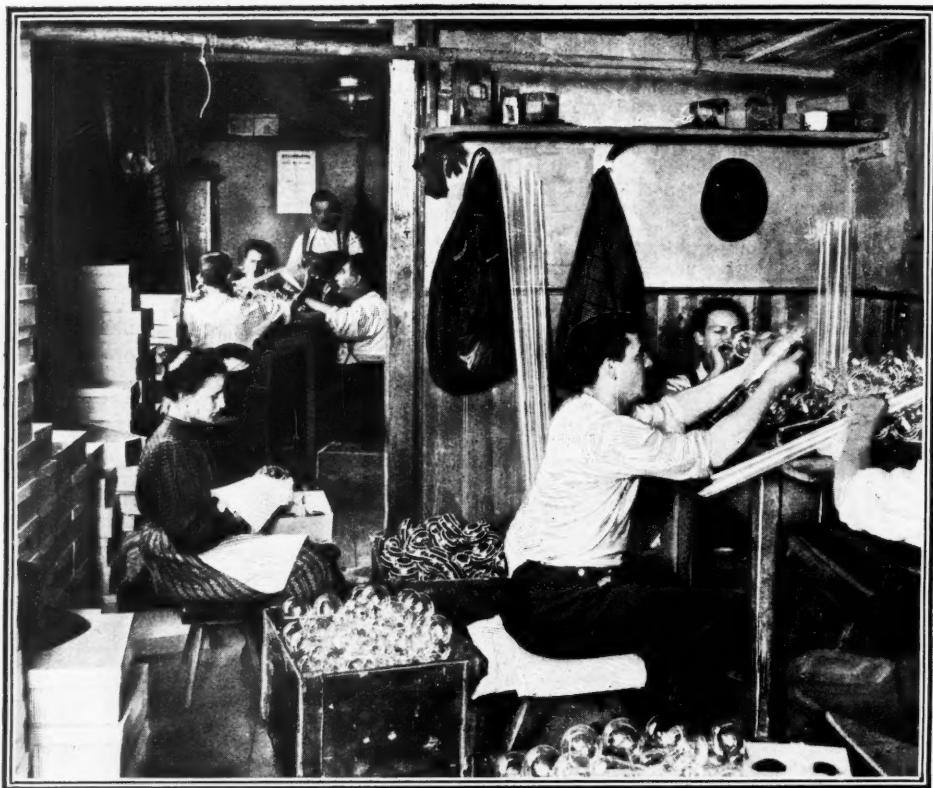
Queen Victoria was as much beloved and admired by Americans as by her own countrymen, but to them as well as to us these letters are a revelation. I have only quoted from the more personal ones in this review, as it has been my intention to show the



HER MAJESTY QUEEN VICTORIA.

(From a photograph taken shortly before her death by Hughes & Mullins, of Ryde, Isle of Wight.)

woman rather than the queen. It is in her letters to Melbourne, Peel, Palmerston, and other members of her cabinet that she reveals herself the Queen. They are extraordinary letters,—even those written when she was a mere girl. They show a woman of strong, dignified character, and a queen who understood her business thoroughly. Those who only know Queen Victoria's gifts as a writer through her Highland Journals will be astonished when they read these volumes. To say that the book is of absorbing interest does it scant justice, for it is one of the great books of the century.



BLOWING AND PAINTING GLASS CHRISTMAS-TREE ORNAMENTS IN SONNEBERG, GERMANY.

HOW GERMANY MAKES TOYS FOR THE WORLD'S CHRISTMAS.

BY EDWARD T. HEYN.

THE manufacture of toys is one of Germany's greatest industries. It is almost entirely dependent on foreign markets, only 25 per cent. of the manufactured product remaining at home. Among the articles of export to the United States toys rank fourth in importance. Within the last year the United States has become the heaviest buyer, while Great Britain ranks next. The total production of toys in the German Empire in 1906 was valued at \$22,500,000. Of this total product toys valued at \$5,561,750 went to the United States.

The exports of toys to the United States are growing faster than those to any other country, because of an expanding market and owing to our ad valorem tariff. Other countries exact customs duties based on

weight. Now, as toys are usually bulky and heavy, the cheapest toys are admitted in America under the ad valorem system. The light and expensive dolls pay high duties, while there is a low duty on cheap goods. With a weight tariff the result is just the reverse.

The German toy industry is grouped in various localities,—the Saxon Ore Mountains, where wooden toys are chiefly manufactured; the Thuringian Mountains, where papier-maché, wooden, and leather toys are made; and, finally, Nuremberg, where metal toys predominate. Some toys are also produced in Württemberg, in the Black Forrest, and even in Berlin and Hanover. From Stuttgart and Nuremberg the wholesalers obtain the finest goods, second only to those made in Paris; in Sonneberg the middle

quality, and the cheapest come from the Ore Mountains.

All the German toy centers have at least one characteristic in common,—that the toys are chiefly produced in the workmen's homes. An exception is Nuremberg, where the manufacture is almost entirely in factories.

The making of toys in the homes has led to a diversity of goods, which, together with cheap prices, has established Germany as the foremost toy-manufacturing country of the world. Moreover, this cheap, but very capable labor is inclined to be individualistic in its production. Every family in the course of years has developed new ideas and new methods in the making of toys. Where goods are produced in the factories, machines are practical only for sewing, cutting, and stamping, while the beautifying of the toys is chiefly the result of individual hand work.

One other reason for the development of the German toy industry was, of course, a bounteous supply of raw material, coupled with the necessity of people in the mountains to earn something during the long winter months, as agriculture alone was insufficient to support a family.

Strange to say, although the toy-manufacturing business of Germany has increased enormously in late years, the wages of the workmen show no great improvement. But the Sonneberg Chamber of Commerce, while recognizing this sad state of affairs, in a recent report declares that it believes the home work to be absolutely necessary for the preservation and future development of the industry; for it claims that through the diversity of the goods produced an opportunity is given to the workmen, influenced by nature and contact with living animals, to use their imagination.

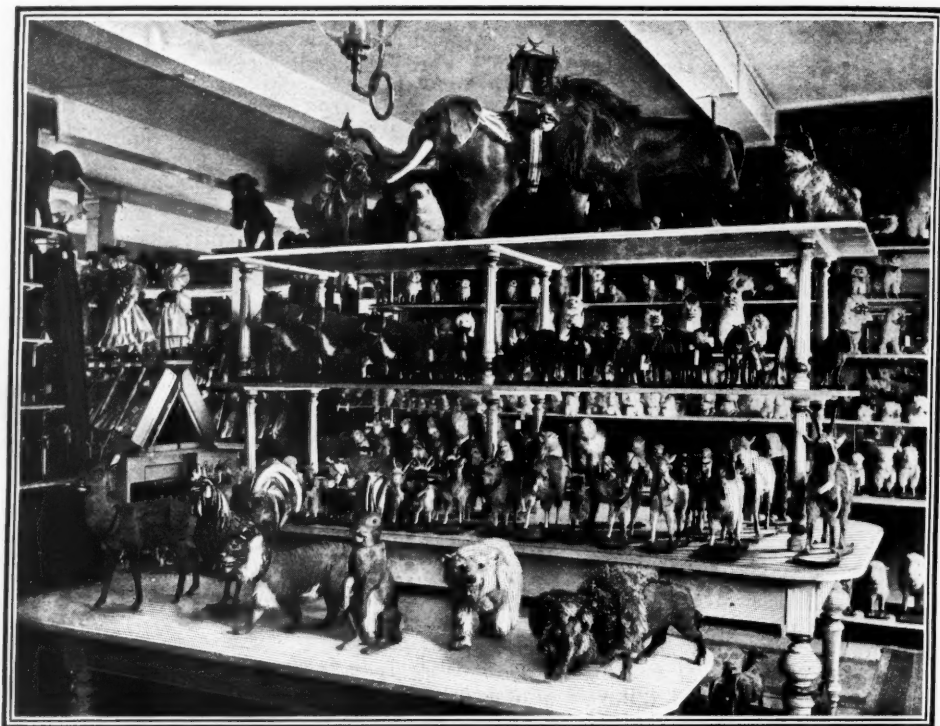
Among the various plans proposed to improve the condition of the home workers has been the legal enactment of a minimum scale of wages. But the imperial German Government, recognizing that the passage and enactment of such a measure would be extremely difficult, will probably propose to the next Reichstag the extension of the national Workmen's Insurance law to home workers, including those employed in the toy industry.

All the toy centers in Germany in the last year have been extremely busy, and every effort was made to produce better and more



MAKING SACRED FIGURES.

(Many of these images are used to adorn the homes of devout Christians during Christmas week.)



A SAMPLE ROOM IN A SONNEBERG FACTORY, SHOWING SKIN-COVERED ANIMALS.
(The largest figures were exhibited at the St. Louis Fair in 1904.)

artistic goods, the exporters in particular aiming to meet the tastes of the foreign buyers. As so many of the goods produced go to the United States, the sample rooms which I saw in Sonneberg bear an American impress.

A few hours' ride from Berlin, picturesquely nestled in the Thuringian hills, not far from the city of Coburg, stretching through a narrow valley, shut in by the mountains, is the little town of Sonneberg, which produces 45 per cent. of all the toys going to the United States.

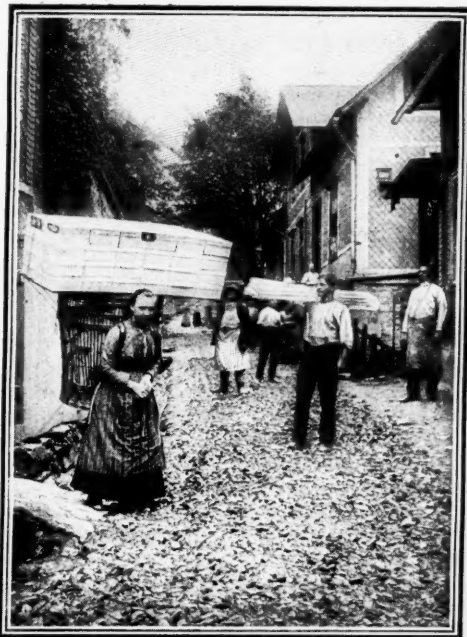
On entering this town of 15,000 people, its general aspect does not differ materially from that of other places of the same size, but after sauntering through the main streets, its mountainous and picturesque features become strikingly apparent. One lengthy street, running to and from the chief square, brings us to the very heart of the town, where the real toy-making is done. There are numerous little streets, or rather alleys, running from the market-place and extending up the slopes of the mountains, with rickety

old houses on either side, so narrow that persons pass each other with difficulty. All these houses, with their narrow surroundings, remind one of little Italian hamlets. Through the windows of the Sonneberg homes we see whole families busily engaged in making toys, sewing dolls and dolls' dresses, fashioning animals, etc. Going up the other side of the square, we encounter similar scenes, the street becoming narrower and narrower, until after about a mile the town ends, and we are in full view of the mountains. In these narrow streets are crowds of children, some only three or four years old, with baskets on their backs or in their hands.

There are also toy factories in Sonneberg, but so varied is the industry and such deft hands are required to produce the hundreds of varieties, that it can be said the toys that have made Sonneberg famous are the product of hand labor and produced in the home. The amount of toys made in the homes of Sonneberg is enormous. There is hardly a family among the working classes of Sonne-

berg and of the neighboring towns and villages, of which several or all of its members are not busy making toys from early dawn till night. Some of the workers receive the necessary raw materials or machines from the factories for which they work; others buy their own raw materials in small quantities and deliver the product of a week's work to the manufacturer. Many of these women, living in some of the neighboring towns and villages, Sonneberg being the shipping center, make their Saturday delivery by train. Their arrival at the local depot, both young and old, carrying enormous baskets on their backs, is quite spectacular. The baskets are at least a yard high and several feet in diameter. When not too heavy, a long, flat basket, three by five feet, is bound to the top of the first basket and frequently piled so high that it projects several feet above the head of the women carrying the burden. Firm shoulder straps keep these loads, which weigh up to 100 pounds and often considerably more, in position.

Probably there are few places where children are so numerous as in Sonneberg. One entire family group, representing four gen-



GIRL WHO HAS ARRIVED FROM THE MOUNTAINS WITH A LOAD OF TOYS.



GIRLS SEWING DOLLS' DRESSES IN A FACTORY AT SONNEBERG.

erations, is engaged in making tiny lambs. This family consists of a great-grandmother, great-grandfather, father, son and sister; the grandmother being ninety years old and the grandfather five years older. The grandmother has been sitting in this one room engaged in this same work ever since she was a girl of six! This aged couple has sat at this work for sixty years and, perhaps, will sit for some time to come. This family of five, the father of which has worked for well-nigh a century, produce every week from 250 to 300 dozen of lambkins, netting them 12 cents a dozen, or from \$2.98 to \$3.57 a week! In another little village in the mountains we find a family consisting of father, mother and six little children; the parents making little Santa Clauses. Some of the larger children assist in the work. This family, working eleven hours a day, earns from \$2.38 to \$3.57 a week.

A young woman who makes dolls' shoes, and at the same time performs her household duties, earns from \$1.90 to \$2.38 a week, when all goes well, at other times from 95 cents to \$1.43 a week. She begins her work at five or six o'clock in the morning and often closes the day at eleven o'clock at night.

Many of these young women are at work sewing dolls' dresses, which latter are generally cut out at the factories, carried home, and made up into the infinite varieties and styles which so delight the hearts of our little girls. Can you imagine at what wages such dresses are produced? For sewing ten dozen under-garments (shirts, petticoats, and drawers) 35.7 cents, or three-tenths of a cent per set, is paid! For the sewing of five sets of clothes of a certain kind, consisting of dress, petticoat, drawers, and cap, the munificent sum of 37.7 cents is paid! A girl requires one and a half days to perform this work, and even if she works twelve hours for six days in a week she can earn no more than from \$1.43 to \$1.67 a week.

Wages paid in the factories are somewhat higher than in the house industry. Apprentices in factories receive 71.4 cents a week. Young workmen beyond this stage earn from 95.2 cents to \$1.19. Assistant workmen in smaller factories earn from \$2.14 to \$3.57 a week, and experienced workers from \$2.86 to \$4.28 a week as an average. After the workman has acquired the necessary understanding and deftness of hand he is generally paid by the piece. Clever hands often earn

from \$4.76 to \$7.14, and sometimes even more a week.

Women are paid somewhat less. Young girls on leaving school get from 33.3 cents to \$1.07 per week. After a year or two this is raised to from \$1.19 to \$1.90, and later with piece work from \$2.86 to \$3.81. Girls employed in dressing dolls earn from \$2.38 to \$3.57 a week doing piece work. Though the wages given here are very low, the day's work is long and generally includes ten hours and sometimes eleven, twelve, or even thirteen hours.

Although the first German toys were made in Thuringian Mountains, it was the city of Nuremberg that first became known to the world at large as the home of toyland. However, in the seventeenth century the Thuringian toy industry again became independent and sought its own markets. Since then its development has been in giant strides. Toward the close of the eighteenth century the discovery of the "taig," a dough composed of black flour, glue and water, and used for modelling dolls' bodies and figures, revolutionized the industry. Of still greater importance was the discovery of papier-maché, in 1820, by a Sonneberg modeller.

The doll-manufacturing industry did not begin to assume conspicuous proportions until 1850. Before that time only wood and leather were used in this trade. At the time of the first London World's Fair a Sonneberg doll manufacturer brought home and improved a Chinese doll, made of heavy colored paper, and with movable head and limbs. Next came hairless wax heads. To begin with, the wax and varnish were put on the prepared head with a brush in a more or less crude or uneven manner, whereby the face was left expressionless. A thimble, so the story goes, one day fell into a dish of fluid wax. When its owner drew it forth it was found to be beautifully covered with a uniform coating of wax. The manufacturer caught the idea and established a factory for wax papier-maché dolls prepared by the dipping process. By giving the papier-maché a flesh tint and through the use of wheat powder, he attained a very good imitation of the human skin. Painting completed the process of facial expression. Next came the setting of artificial eyes, which are principally made in the little town of Laucha. These eyes soon were made movable, and the result was a sleeping doll. But the hairless head had to be improved. Human hair was originally used, but the dis-



A FAMILY OF FOUR GENERATIONS MAKING TOYS IN THEIR HOME.

covery of mohair wigs opened up large possibilities in this line, as the fine, glossy hair of the Angora goat was found to be unsurpassable for this purpose. When mohair grew more expensive wool was added. In rapid succession there followed further inventions and discoveries until the modern, life-like, jointed speaking doll was the result.

At the head of this industry are the large exporting houses, both German and foreign, doing business directly with merchants in all quarters of the globe. They correspond in all modern languages, and are organized on the most approved, modern style. Some of them do a commission business almost exclusively, gathering up the toys in small lots, packing and shipping them, and doing little or no manufacturing business themselves.

Next in rank are found smaller exporters and manufacturers doing some foreign business directly, and delivering also to the great exporting houses. These vary from large and wealthy establishments to lesser factories handling but small quantities. They are of course houses which confine themselves exclusively to manufacturing. The output of many of the factories is entirely or in large part controlled by some of the big exporters.

The annual export trade has grouped itself in three seasons: Christmas, Easter and

Hallowe'en. Originally the Christmas season alone occupied prominence, because Easter and Hallowe'en goods were called for in but small quantities. Later the Easter trade developed, and within the last few years the demand for Hallowe'en goods in America has developed so tremendously as to create an entirely new line of business.

Every country has its own shipping season for toys, according as its distance from Sonneberg is greater or less than that of another. Thus Christmas toys intended for Australia are shipped much sooner than those for the United States, while toys for America are shipped earlier than those going to England, and those for England sooner than those intended for the German market itself. The result of all this is that the great exporters are kept busy all the year around, though a noticeable concentration occurs in July, September, and even in the early part of October, when the main exports of Christmas toys are made to the United States. The toy industry in Sonneberg has received quite a boom by the craze for Teddy bears, over 10,000 going every week to the United States and also to England and France. Numerous Caruso monkeys also found a ready market in America.

THE NAVY DEPARTMENT AND ITS WORK.

BY WINTHROP L. MARVIN.

(Author of "The American Merchant Marine: Its History and Romance.")

SIXTH in lineal rank of the great executive departments of the federal Government, the Navy Department lacks nine years of being as old as the national compact. There had been a navy and a good one in the War of the Revolution, but no Navy Department at that time. The heroic little fleet of the struggle for independence was administered by committees of the Continental Congress, styled the "Naval Committee," the "Marine Committee," or the "Marine Board." Under the first federal Government of 1789 both the army and the navy were placed under the jurisdiction of the War Department. No steps to create a fleet were taken until 1794, when the troubles with Algiers moved Congress to authorize the building of six frigates.

George Washington was the real father of the new navy. There were other patriotic advocates of a fighting fleet, but to his voice more than to that of any other did the country listen. The new Republic, under the protection of its navigation laws, was then building up a large and prosperous merchant marine, and in an address before both houses on December 7, 1796, President Washington urged that "to an active external commerce the protection of a naval force is indispensable." He argued also in words whose vigor matches the language of our present President that "to secure respect to a neutral flag requires a naval force, organized and ready to vindicate it from insult or aggression."

The first Secretary of the Navy took his seat in the cabinet of President Adams on April 30, 1798, and at almost the same time a regular marine corps was established. Out of the neglect of the Jefferson régime the Navy Department lived to win imperishable glory in the War of 1812, and since then it has been an actual and honored right arm of the United States.

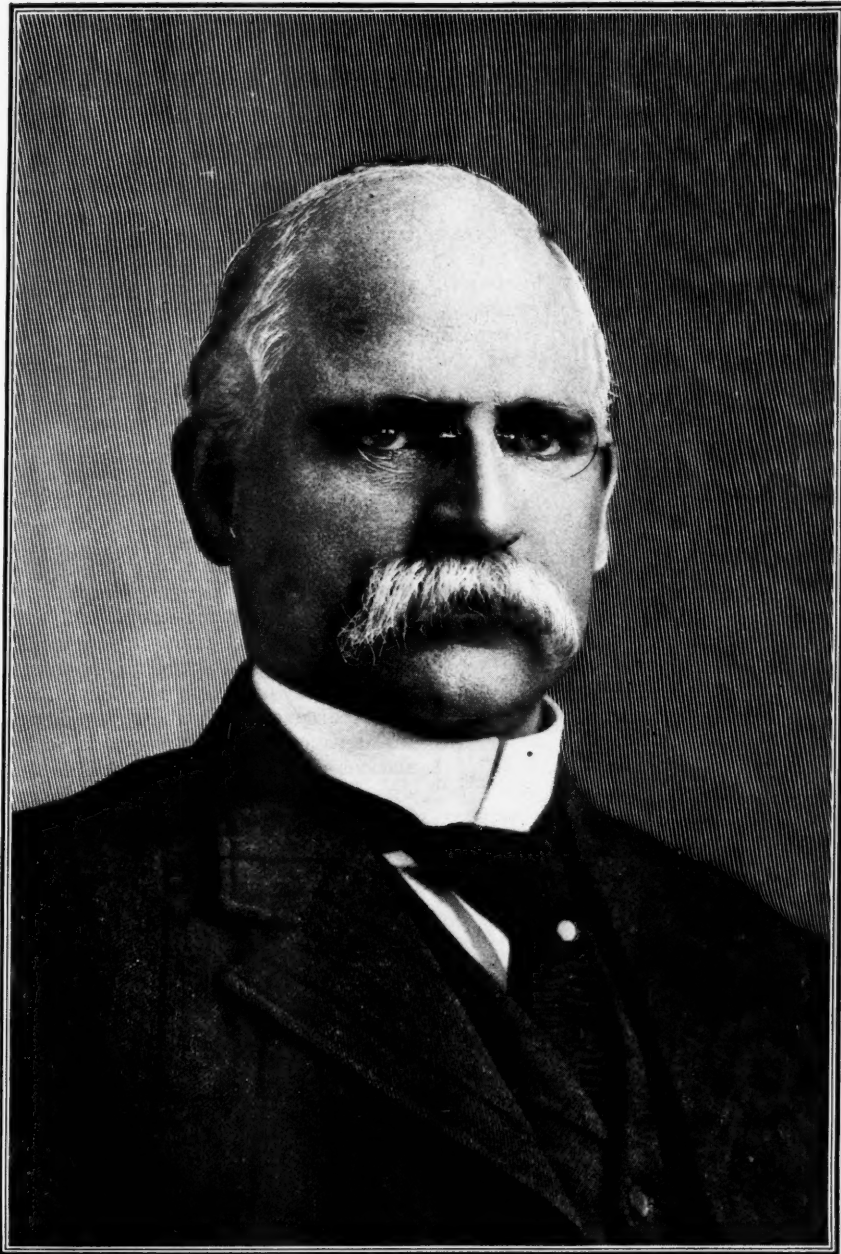
Very different in organization, authority, and importance from the young department ruling over half a dozen frigates in 1798 is the present department, with 300 vessels of all classes and more than 40,000 officers and

men under its control, which is about to signalize the present naval prowess of the Republic by swinging a mighty fleet of sixteen armored ships-of-the-line from the North Atlantic to the North Pacific Ocean. In sheer fighting strength the United States Navy at the present moment is the second in the world,—so swiftly and skillfully has there been carried forward the work of rehabilitation and increase following the strange, temporary stagnation of 1870-1882. Only the British Admiralty now wields a sea power surpassing that at the disposal of the Secretary and Assistant Secretary of the Navy in Washington.

THE CHIEFS OF OUR NAVY.

The present Secretary is the Hon. Victor H. Metcalf, of California, formerly the Secretary of Commerce and Labor, who before entering the cabinet was a member of Congress and a member of the important House Committee on Naval Affairs. The present Assistant Secretary is the Hon. Truman H. Newberry, of Michigan, a vigorous man of business, who was a lieutenant in the war with Spain, having joined the service with the Michigan Naval Reserve. The Secretary of the Navy is the direct representative, at the head of the department, of the President of the United States, who is the commander-in-chief. Over all the work of the navy,—over the building, manning, arming, equipping, and employing of its ships,—the Secretary holds general supervision and authority, subject, of course, to the direction of the President. With the great expansion of the navy and of the interests which it must protect the responsibilities of the Secretary have steadily increased, until the office has become one of the great posts of the national Government, sought and honored by public men of the first rank.

But the very weight and scope of these responsibilities have compelled a division of labor, and there have been assigned to the Assistant Secretary certain specific and important features of the general administration of the department, including the repair



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HON. VICTOR H. METCALF, SECRETARY OF THE NAVY.

of ships, the naval militia, and the qualifications of applicants for commissions from civil life, and he is charged also with the personal inspection of all first-rate ships in home waters and of the naval stations on the Atlantic Coast. In the frequent absence of the Secretary from Washington, on the general duties of a Cabinet Minister, the As-

sistant Secretary acts in his place, directing the movements of ships and otherwise guiding the great activities of the department.

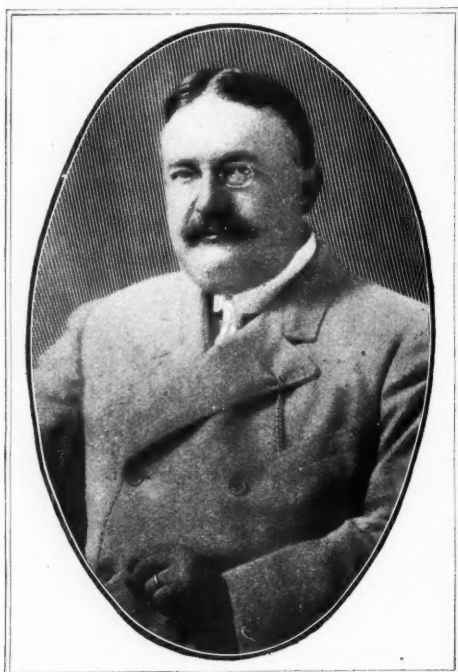
THE EIGHT GREAT BUREAUS.

Under the Secretary and Assistant Secretary comes a complex organization,—too complex, so sagacious observers hold, for the

best promptitude and the highest efficiency. In the first place, there are the eight great bureaus which have directly to do with the building and maintenance of the ships and naval stations. First of these in importance, by common consent, is the powerful Bureau of Navigation, whose chief is always a rear-admiral of distinguished abilities, a post of notable honor in the service. This bureau has jurisdiction over the naval personnel, including the Naval Academy at Annapolis, where the young officers are educated, and

Construction and Repair, responsible for the general design and the structural strength and stability of all the naval ships and of all that enters into the fabric of the ships except their steam machinery, their armament, and certain articles of furnishing and equipment. There is, strangely, a separate Bureau of Steam Engineering, a reminder of the old years when boilers, cylinders, and shafts were still objects of curiosity and aversion in a fleet whose officers and men had been bred to the splendid traditions of spar-and-canvas seamanship.

The Bureau of Ordnance performs a work of genuine specialization in the authority which it exercises over the design and building of the armor, guns, torpedoes, small arms, and their appliances. The Bureau of Equipment furnishes what might be called the distinctive nautical fittings of the fleet, including rigging, sails, anchors, navigating instruments, flags, and stores of many kinds, the lighting apparatus, including search-lights, and the all-important fuel. The Bureau of Yards and Docks has general charge of the planning, building, and maintenance of the navy yards and naval stations and their accessories, including the dry docks. The Bureau of Medicine and Surgery governs the health of officers and men afloat and ashore, through its hospitals and dispensaries. The Bureau of Supplies and Accounts is intrusted with the purchase of most of the supplies and materials of the navy on the requisition of the other bureaus,—there are certain exemptions from this rule,—and of the provisions, clothing, and small stores in general, together with the keeping of a rigid system of accounts.



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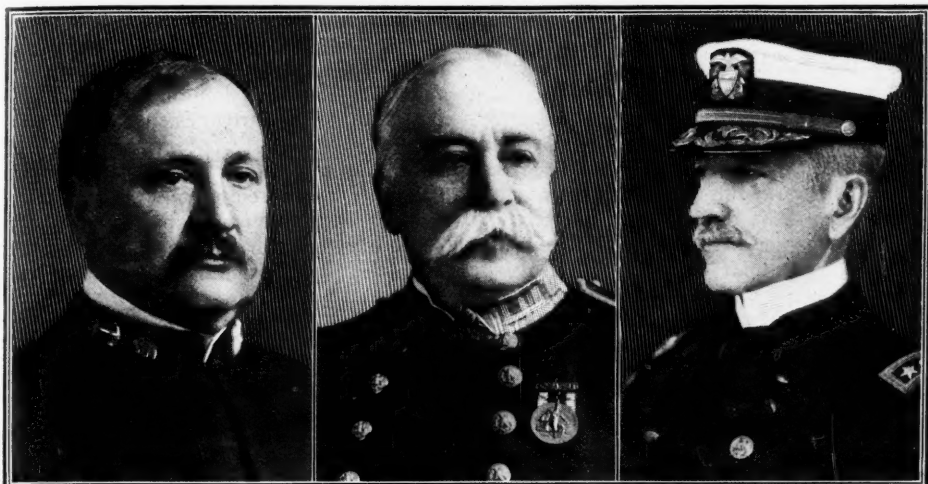
HON. TRUMAN H. NEWBERRY, ASSISTANT SECRETARY OF THE NAVY.

the recruiting and training of the enlisted men. Through this bureau go the usual orders of the department to the fleets and officers of the navy; it establishes the complements of ships and keeps the records of service of all squadrons, ships, officers and men; in many other ways it enters intimately and imperatively into the technical work of naval administration. The present chief of the Bureau of Navigation, the latest in a long line of able and accomplished men, is Rear-Admiral Willard H. Brownson.

Next in importance among the eight great bureaus comes unquestionably the Bureau of

THE GENERAL BOARD.

These, in brief, are the eight most important branches of the administrative organization of the Navy Department, but they are not all. The office of the Judge Advocate General is the legal branch of the navy, the professional counsellor of the department, and the agency for the prosecution of offenders against the service law and regulations. The Commandant of the Marine Corps has a jurisdiction of his own, and is responsible to the Secretary of the Navy. Last, but not least, some very important advisory functions are vested in the General Board, of which the distinguished Admiral of the Navy, George Dewey, is the president, associated with a group of earnest and accomplished officers. The General Board



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Rear-Admiral William S. Cowles.
(Chief of the Bureau of Equip-
ment.)

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Admiral George Dewey,
(President of the Board.)

Photo by Pach Bros., N. Y.

Rear-Admiral Willard H. Brownson.
(Chief of the Bureau of Naviga-
tion.)

PRESIDENT OF THE GENERAL NAVAL BOARD AND TWO OF THE BUREAU CHIEFS.

is charged with the preparation for the Secretary of plans of naval campaign involving the co-operation of the army and the utilization of all our resources of maritime defense. It is expected to devise plans for the preparation and maintenance of the fleet in war, and for the proper distribution of the fleet, and to counsel the department as to the number and type of ships of which the fleet should be constituted, and the proper location of coal and supply stations. Finally, the General Board is intrusted with the co-ordinating of the work of the Naval War College and the Office of Naval Intelligence.

HOW THE SHIPS ARE BUILT.

The Secretary, the Assistant Secretary, the great bureaus, the General Board,—these are the machinery of organization of the Navy Department. The actual working plant, if it may so be called, consists of the navy yards and naval stations on shore, and the ships built and afloat or building. Of these, the ships themselves are, of course, the first in interest and importance. There is nothing haphazard about the construction of a modern navy. Every year the Secretary invokes the expert judgment of his professional advisers, the bureau chiefs and the General Board, as to the type, the design, and the number of new ships to be undertaken. The Construction Board may recommend one program and the General Board

another, though the usual variation is in the number and not in the character of the ships regarded as most requisite for the United States. In any event, the program as drawn up embodies not only a high, patriotic purpose, but the finest technical wisdom available in America. As to the details of any given naval program,—whether there shall be three new battleships or only two, six destroyers or four, a dozen or half a dozen submarines, and whether any scout cruisers or fleet colliers shall be authorized,—the Secretary himself is the final arbiter. It is his decision which shapes the formal recommendation of the department in his annual report to Congress.

If Senate and House then duly authorize, say, three battleships of 20,000 tons displacement, and a suitable number of auxiliaries, the Bureau of Construction and Repair, the Bureau of Steam Engineering, and the Bureau of Ordnance, in co-operation under the general lead of the first-named, prepare the designs for the new vessels, if, indeed, these have not already been partially prepared in anticipation of favorable action by the lawmakers. Then proposals for the building of the hulls and machinery of the ships are invited by the department from all the private shipyards of the country competent to undertake it, and for the making of the armor from the two or three armor-making establishments.

IN PRIVATE YARDS.

This, it should be understood, is the general practice of the Government,—to have its ships of war constructed under competition by private establishments, and to reserve to the navy yards only the important work of repair. But there have been a few exceptions. The old second-class battleship *Texas*, and the first *Maine*, destroyed at Havana, were built at navy yards; so were the cruisers *Cincinnati* and *Raleigh*, and a few other small craft; so are building now two colliers of a non-mercantile, unusual type. But the only first-class battleship of the United States which was constructed at a navy yard and not by private builders was the *Connecticut*, and she cost so much more heavily in time and money than her sister, the *Louisiana*, built in the great private shipyard at Newport News, that the experience is not likely to be repeated. This is no reflection on the Government. The naval constructors are masters of their calling; the navy yard workmen are good and skillful men. But building a ship, like building a railroad, is, after all, a business affair, which business men, if they are honest and efficient, will naturally handle a great deal better than even an honest and efficient government.

There is no ocean shipyard trust in the United States. The great yards capable of building ships-of-the-line are about six in number on the Atlantic and two on the Pacific seaboard. Seldom have more than three battleships been authorized at once, and there is always eager and intense competition. As a rule, the contracts are given by the Navy Department to the lowest bidder, though sometimes this principle is set aside for what seems to be a more equitable geographical distribution of what has now become almost the only heavy and important ship construction available for the ocean shipyards of America.

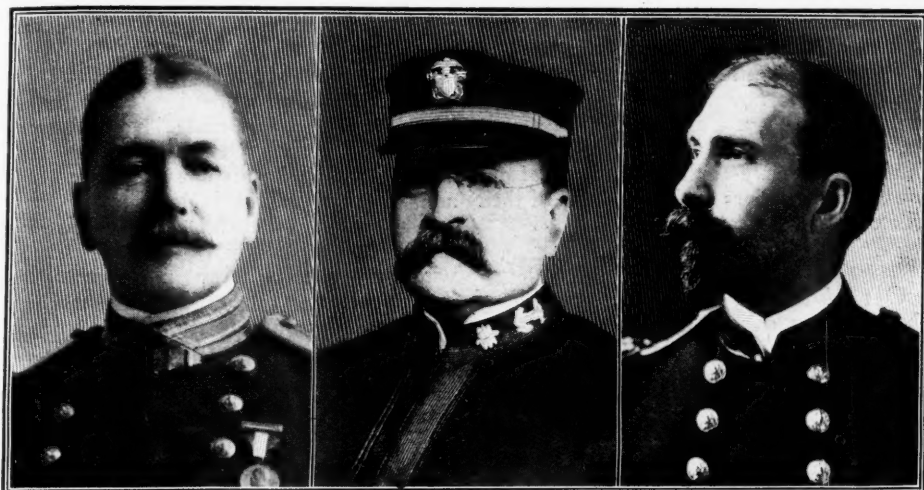
These contracts, as has been said, cover hull and machinery. The armor is procured by the Navy Department on a competitive basis from the great steel concerns which have the costly apparatus for producing it. Many articles of equipment, like anchors and cables, are furnished by the department, and the guns are fabricated by the department in its noble great gun factory in Washington, out of forgings made by private manufacturers. Torpedoes are now purchased from manufacturers, but the department is preparing to produce its own supply of these

weapons, and also a large part of the powder for the magazines, which has been provided under contract by powder-making companies. Every process in the building of a ship and the making of her armor is supervised by inspectors from the Navy Department, and both ships and armor are subjected to exhaustive tests before acceptance. Indeed, the final payments on a new ship are not made to her builders until she has been "shaken down" in actual commission.

THE PERSONAL FACTOR.

While the Navy Department has been watching the growth of a new battleship through the three or four years required for her completion, and has been preparing her powerful batteries and her elaborate equipment, careful thought has been given to the all-important personal factor, her complement of officers and men. A first-class ship-of-the-line requires for her navigation, her propulsion, and the working of her guns almost the equivalent of a full regiment of infantry of the old wars. The *Kansas*, for example, a magnificent ship of 16,000 tons, which has just been made ready to join the fleet, will have forty-one officers and 809 men, including seamen of the various ratings, firemen, coal passers, and members of other branches of enlisted service.

The commissioned line officers of the navy, as is generally known,—that is, the officers who navigate the ship, direct her engines, and fight her batteries,—are highly educated experts, trained for the lifelong service of the sea at the Naval Academy at Annapolis. They have been selected on nomination, a few by the President, but most of them by members of Congress. Many have owed their appointment to severe competitive examinations. They have not been taken by favor, as is the rule abroad, from one small aristocratic class, but have come from all classes, as they have from all sections, representing, however, substantial homes and the soundest physical and mental characteristics of the whole American people. It stands to reason that young men thus selected from the great body of a nation of 80,000,000 inhabitants are sure to be of a higher mental and physical average at the start than a similar number of young men selected from among, say, 500,000 people of the nobility and gentry of the British Isles, or of the old aristocracy of Germany or France. And these young Americans who enter Annapolis from our democratic environment are sub-



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REAR-ADMIRAL CHARLES W. RAE.

REAR-ADMIRAL NEWTON E.
MASON.

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REAR-ADMIRAL WASHINGTON L.
CAPPS.(Chief of the Bureau of Steam
Engineering.)

(Chief of the Bureau of Ordnance.)

(Chief of the Bureau of Construc-
tion and Repair.)

jected to a discipline quite as thorough and a professional training broader in many ways and more ambitious than that of the young officers of foreign services.

A SPLENDID CORPS.

The result is a corps of sea officers in the American service which observers of all nations have generally agreed in adjudging the most efficient in the world. But the difficulty is that there are too few of them. Thus, though our fleet in actual strength of ships and guns is second only to that of Great Britain, we have fewer officers than either France, Germany, Russia, or Japan. The Naval Academy is now graduating large classes, and in due time our weakness in numbers will be remedied. But meanwhile the officers of our navy are being seriously overworked, and midshipmen are performing duties which were once supposed to tax all the seasoned skill of lieutenants of a dozen or twenty years of service.

There are now on the active list of the navy about 1800 commissioned and 620 warrant officers. Not only are the line officers graduates of Annapolis, but the construction corps under the modern system is drawn from the same institution. Those young officers who at the Academy manifest the requisite scholarly ability are given especial instruction in naval architecture at the Massachusetts Institute of Technology.

This training is supplemented by practical work and observation in this country and abroad, and the corps of constructors on active duty is, therefore, composed of picked men of the highest scientific attainments.

The surgeons of the navy are chosen through a severe professional examination of graduates in medicine, and the successful applicants are further instructed in the navy's own medical school at Washington. The members of the pay corps, like the navy surgeons, are carefully selected from civil life.

THE WARRANT OFFICERS.

Between the officers holding commissions and the enlisted men of the navy stand a class of boatswains, gunners, carpenters, sail-makers, and machinists, highly skilled men indispensable on shipboard, masters each of his technical calling, who have won their warrants through merit and long service, having entered the navy as enlisted men. The value of these warrant officers and the honorable position held by them in the service have been recognized of recent years not only by a provision that boatswains, gunners, carpenters, and sail-makers shall be eligible for appointment as chief boatswains, chief gunners, chief carpenters, and chief sail-makers, after six years from the date of their warrants, but that twelve warrant officers may be annually commissioned as ensigns

after suitable examinations,—that is, that especially deserving warrant officers shall be able to gain commissioned rank. These same distinctions are now recommended for warrant machinists, a class of men peculiarly skilled and deserving and of ever-increasing value to the navy with the growth of the power of the engines of the ships and of their whole complex mechanism.

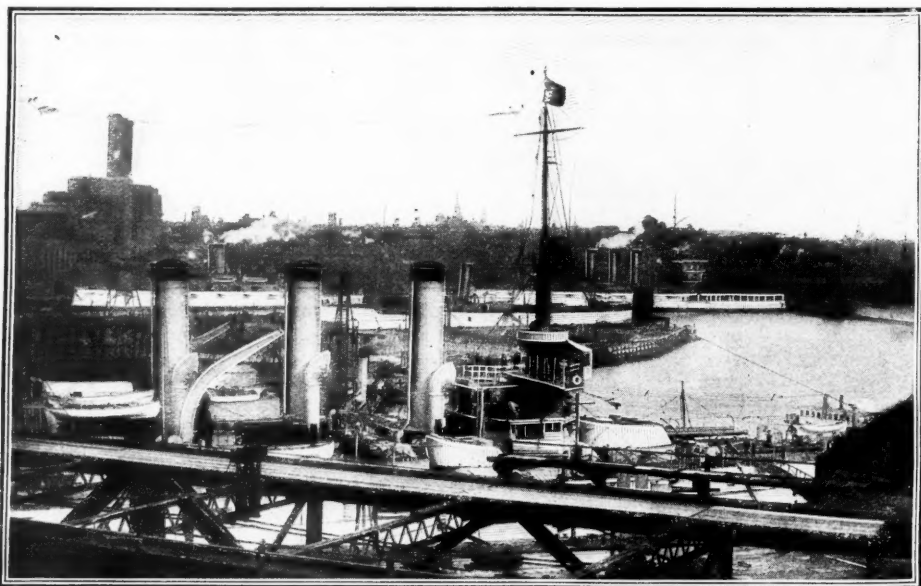
THE ENLISTED MEN.

Out of a total authorized strength of about 37,000 enlisted men there are now 34,000 actually in the service. These are "the men behind the guns," and not only that, the men in the engine and fire rooms, who are just as indispensable to the manœuvering and fighting of a battleship. These 34,000 men are recruited under the authority of the Bureau of Navigation from every part of the United States. The regular term of naval enlistment is for four years. There is a rigid physical examination, and, more than that, the navy will not take any man who is not of good, sound character. There were 40,918 applicants for enlistment in the fiscal year ending June 30, 1906, the last for which report has been made, and of these 16,518 were rejected for physical disability and 9381 for other causes. The total

number of men accepted and enlisted was 13,418.

Young men without sea experience are usually enlisted as apprentice seamen, unless they have some special trade. No young men are now accepted who are not American citizens, and applicants must be able to read and write the English language.

The ocean wars of the United States have always been fought in the main by seamen who were not only American citizens, but American-born. There was a great body of these thorough-going American seamen in the federal navy in the Civil War, drawn chiefly from the merchant service and the seafaring population of the New England and other maritime States. Massachusetts alone in the Civil War sent 30,000 men into the navy. With the reduction of our war fleet in the years after 1865, and the swift shrinkage of our merchant shipping, this fine body of veteran American seamen disappeared, and in the early '70's our few and small ships-of-war were manned to a large degree by foreigners. Indeed, on many ships in those years of neglect the American citizen seamen were actually in a minority, and were jostled around the berth-decks by alien adventurers who sailed under all flags, and loved and honored none.



From a Stereograph. Copyright, 1907, by Underwood & Underwood, N. Y.

A PARTIAL VIEW OF THE BROOKLYN (N. Y.) NAVY YARD.

(Looking over the decks of the *Connecticut* and showing other war vessels preparing for their long cruise to the Pacific.)

When the work of our naval rehabilitation was begun, a quarter of a century ago, there were prophets of calamity who urged that the undertaking never could succeed because young Americans could not be induced to go to sea. It was insisted then, just as it is insisted now against the upbuilding of a merchant marine, that the Americans are no longer a seafaring race, and this not a sea-loving country.

NEARLY ALL AMERICANS NOW.

It is eloquent comment on such assertions that the records of the Bureau of Navigation show that at the present time no fewer than 94.2 per cent. of the total enlisted force of the navy is composed of citizens of the United States, 84 per cent. of these men being native-born and 10.2 per cent. naturalized. Moreover, the American predominance among the crews of our ships-of-war is steadily increasing year by year. It was 93.1 per cent. in 1906, and, as has been said, is 94.2 per cent. in 1907. And those few enlisted men of the navy who are technically foreigners are not, as a rule, the actual fighting men, but either the servants of the ships or natives of our own insular possessions.

A great deal has been said about desertions from the navy. There are desertions, it is true; more perhaps than there ought to be, and more than there will be in the years to come. But these desertions are decreasing and not increasing. They numbered only 9 per cent. of all the men in the service in 1907, a slightly smaller proportion than in the year before. This does not express any real, deep dissatisfaction, but rather the restlessness of youth,—for most of the men who abandon the service are very young, and most of them from the far interior of the country. Moreover, as a rule, the deserters are the very men of whom the navy is best rid.

On the other hand, out of the total number of enlisted men who were recommended for re-enlistment in the fiscal year 1906, 43.1 per cent. actually did re-enlist; so that in a few years 50 per cent. of the enlisted force of the navy will have become trained men who had served one or more enlistments. Already the number of men now serving under continuous service is 5248, a gain of about 7 per cent. over the year preceding. Men are enlisted at the regular seaboard naval stations of the United States, but it is a striking and significant fact that most of the permanent recruiting stations for the

navy are located in cities and towns in the interior of the country, and that not only a majority of all of the recruits but some of the very best of them come from inland sections. There are successful naval recruiting stations at such points as Cincinnati, Indianapolis, Minneapolis, Des Moines, Kansas City, Omaha, Denver, and Oklahoma, and from time to time temporary recruiting stations are established in the smaller interior towns.

A REAL NATIONAL SERVICE.

This system has genuinely nationalized the naval service. Though the seaboard States still furnish a great many men,—Massachusetts, as always, leading in proportion to population,—yet the chief inland States make a remarkably strong showing. Thus there are 1713 enlisted men of the navy whose homes are in Ohio, 1216 in Missouri, and 1812 in Illinois. Iowa is the native State of 601 enlisted men, Kansas of 557, Kentucky of 488, Minnesota of 471, Wisconsin of 523, and Michigan of 950.

The pay of an apprentice seaman is \$16 a month, or much less than that of the average farm-hand. But the young man afloat receives his board and lodgings free, and there are certain allowances which leave him far better off than the farm-hand at the end of the month. Then, if he is of the right stock, there is sure to be steady advancement through the grades of ordinary seaman and seaman to petty officer, or similar promotion in the engine-room or fireroom. Every man has \$5 added to his monthly pay on first re-enlistment and \$3 for every re-enlistment thereafter. A chief petty officer is paid \$70 a month and is eligible for promotion to the rank of warrant officer, at \$1200 to \$2100 per annum.

Enlisted men are given substantial bounties on re-enlistment, and expert marksmen and gun captains have extra allowances. There is a generous provision for retirement for blue-jackets. After twenty years of service a man who is physically disqualified may retire on half pay, and after thirty years of service on three-quarters pay. Modern ships-of-war require many men of the skilled trades,—electricians, machinists, carpenters, plumbers, painters, ship-fitters, coppersmiths, blacksmiths, and boiler-makers. Even the cooks are liberally paid.

The sea soldiers, or marines, of the United States, half soldiers, half sailors, number now when their ranks are full 6000 men, with 279 officers. The officers of the marine

corps may be appointed from civil life, though some of them are graduates of Annapolis. Young officers entering this corps are given a thoroughgoing professional instruction. In spite of occasional recommendations that marines are no longer needed on ships-of-war, and that their services might be dispensed with, most of the ships afloat still carry a marine guard, and these sea soldiers are active and useful in garrisoning our insular possessions. The marine corps has a long record of brilliant service and martial traditions worth preserving. It is as conspicuous now for neatness and precision as it ever was, and it has had its full share in the improved spirit and efficiency of the naval service. Time and time again has the call of duty proved that this splendid corps is, indeed, "always ready." Its officers bear the titles of and hold relative rank with officers of infantry ashore. But there is no regular regimental organization, though this can be quickly arranged, and it is only on shore service that a considerable body of marines is brought to act together.

THE NAVAL STATIONS.

The principal naval stations of the United States are those at New York, Boston, Norfolk, and San Francisco. But there are stations of importance at Portsmouth, Philadelphia, Charleston, Pensacola, New Orleans, and Bremerton, on Puget Sound. In our insular possessions there are stations at Cavite and Subig Bay in the Philippines, at San Juan, Porto Rico, and Culebra, at Guam, Honolulu, and Samoa, and at Guantanamo, Cuba. Newport, R. I., though it has no heavy workshops, is a naval station of consequence, long the headquarters of the training system, of the torpedo service, and of the naval war college.

The New York yard is equipped for construction work, and the yard near San Francisco is building a collier similar to one being brought to completion at New York. But the other yards have facilities for repair only, and the naval stations as a rule, as has been said, are kept to work of this description. All workmen are now selected on the merit system.

The organization of a large naval station is that of the Navy Department in miniature. At the head is the commandant, a line officer of the rank of rear-admiral. He is, as it were, the president and general manager in direct charge of and directly responsible for the activities of the station. In time of

emergency the commandant would have broad discretion as to emergency work of repair, but, as a rule, he follows closely instructions transmitted from Washington.

The bureaus of Construction, of Steam Engineering, of Ordnance, of Equipment, and of Navigation,—all these have their representation or division in the organization of the yard, and so do the Bureau of Supplies and Accounts and the Bureau of Medicine and Surgery. There is undoubtedly too much complexity here, and the work of the naval stations, like the work of the department in general, would be simplified and facilitated by a consolidation at least of the bureaus of Construction and Repair and of Steam Engineering. The Bureau of Yards and Docks has a large jurisdiction at each of the naval stations. The officers of this bureau are trained civil engineers, selected from civil life.

Preparations for the cruise of the great battleship fleet to the Pacific Ocean are now testing the efficiency of the whole naval organization, and especially the efficiency of the principal navy yards of the Atlantic seaboard. Of late years a plan has been adopted of sending given battleships always to the same yard for repair, so that the officers in charge of the work and the workmen themselves may become familiar with the requirements. But at best it will be a difficult undertaking to get the whole great fleet ready in time to sail on December 16. One weakness in our naval preparations which the plan of the cruise has already disclosed is the lack of American steam colliers. Although the navy has a fleet of these vessels brought down from the Spanish War, yet it has been necessary to charter many foreign "tramps" to convey the coal required by the fleet not only at ports of call on both coasts of South America, but even in the Bay of San Francisco. Though President Roosevelt generously offered to American steamships a preference of 50 per cent. in freight rates, few or no ships have been forthcoming. This is a serious matter, for though we can employ foreign "tramps" to supply and convoy our fighting fleet in time of peace, we could not lawfully or decently do so in actual war. In other words, this battleship cruise, though inspired by broad considerations of statesmanship and calculated to enhance the efficiency of our naval service, is demonstrating that the weakness of our merchant marine is as grave a menace to us as a similar weakness proved to Russia in her clash with Japan.

THE TOLL OF THE TOURIST.

BY CHARLES F. SPEARE.

A TRAVELER making his way through an impoverished section of Ireland was moved to ask this question of a native:

"What do the people round here live on, Pat?"

And the answer, containing the germ of much economic truth, came this wise:

"Pigs, sorr, mainly, and tourists in the summer."

The business of entertaining the foreigner and of showing him the sights has become a leading one in several countries. If Ireland is sustained by the summer tourists, so, in much larger proportion, are Switzerland, France, and Italy. It will probably surprise most persons to know that the annual income of France from tourists is something like \$500,000,000. Paris bankers have even placed the figure as high as \$600,000,000. This is \$16 per capita compared with a per capita export of domestic products of \$25. The Swiss are said to be "a nation of inn-keepers," and any one who has traveled about in the twenty-two cantons knows how the people of that republic cater to foreign visitors. But very few realize that the income from pleasure seekers in the Swiss mountains and valleys is greater than that from Swiss exports of merchandise or from farm products. Italy has lately been forced to admit, through some of her economists, that the gold of the transient population is a source of profit ranking well up with that of industry and commerce, and, further, that the northern part of the kingdom derives much compensation from the liberal tourist and collector. The tourist toll to Italy is now reckoned at \$100,000,000 a year, or nearly equal to the value of exports from January to May. Wealthy old John Bull does not ignore the rising stream of gold that flows into his vaults from the pocketbooks of the foreigner and acknowledges that his favorable trade balance with the United States, from June until October, is primarily due to the bills that the American tourist contracts while abroad. Egypt, Norway, and Holland, as well as Germany, draw freely on the balances of the sightseer, though it will be readily admitted that the English, the Germans, and the Dutch give back in

the pursuit of their own pleasures more than they receive from those of others.

Two generations ago John Stuart Mill made an elaborate argument against the economic profit to a country from the spendings of tourists. Latter-day economists like M. Leroy Beaulieu, speaking for France, and Signor Luzzatti, for Italy, together with the noted Swiss banker, Dr. Geering, strongly oppose this argument and go so far as to say that tourists' moneys play an important part in their respective countries in establishing a favorable trade balance and in permitting the cancellation of international obligations.

The tide of travel rises with prosperity and ebbs again in lean times. The years since 1900 have witnessed more money-making throughout the world than any others in history. This same period has seen the development of tourists' routes that had been but pioneer paths. Travel has brought about revolution in the ocean-steamship business and in Continental railroad service. To cater to the transatlantic trade alone more than a score of new "liners" have been built at a cost of approximately \$100,000,000. London, a city of the poorest hotel accommodations a decade ago, has been forced by the foreign invasion to erect a dozen or more splendid hostelrys where the American can enjoy some of his home comforts and conveniences. Paris, aptly described as "the great international pocket into which pours a marvelous yield of the most willingly paid taxes in the world,—taxes of pleasure,"—has met the situation by doubling her hotel capacity. Even slow-going Italy has recognized the profits from tourists, for, while Italian railroads, under government ownership, seem to be getting worse instead of better, and a 200-mile trip in a first-class carriage is more wearisome than the long ride in the Riviera express from Paris to Monte Carlo, Italian hotels have been growing less romantic and more comfortable. Going over to Alexandria and Cairo one finds abundant evidence that the \$6,000,000 annually spent in Egypt by tourists is making an impression there and leading to improvements on a liberal scale.

The Englishman used to be the world's greatest traveler. It was part of his educa-

tion to make the "grand tour." English colonization in the East gave an object for visits to India, Japan, and China. When he had gone half-way round the world the Briton very often decided to make the entire circuit of the globe. The English are still much given to roving, and the Gladstone and "kit" bag may be seen any day at any prominent railway station east or west of Suez. But the English tourists are not so conspicuous as they were before the American, the German, and the South American began to accumulate wealth and to evince a desire to see what other countries than their own had to offer in the way of scenery, historical associations, and pleasure making. You can find an American in almost any place on the Continent of Europe nowadays, quite as readily as an Englishman. The dress suit case is the national trademark displayed by every band of American tourists. It is due to the American passion and fashion for traveling, which has developed within recent years, that such elaborate schemes have been created abroad for the entertainment of our people.

There are now but three months in the year when the stream of American tourists to and from Europe dries up, between October and January. Not so long ago Americans crossed in May or June and returned in August or September, going and coming by the North-Atlantic route. Then they were through for the year. Now they begin to pack again soon after Christmas, and the Mediterranean boats, from January to May, are sold out months in advance. In Italy there is one continuous season. The dread of Roman fever and of intense summer heat has passed, and tourists find that the months which were formerly tabooed for travel south of Venice and Milan are among the most delightful of the year. The American is just beginning to learn that Switzerland in the winter offers great opportunity for good fun. For a long time the Englishman has been spending his Christmas holidays in the Engadine, at Davos, Montreaux, St. Moritz, and at Grindelwald, eating his plum pudding and roast duck there in the whirl of the finest winter sports that are to be had anywhere in the world. The French Riviera provides an outlet during the cold weather for those who fill Paris and the seaside resorts like Trouville, Ostend, and Scheveningen in the summer. It will readily be seen how to Switzerland, France, and Italy, where the tourist movement is almost perpetual, the economic development of the

country is closely related to the spendings of outside people.

HOW FRANCE PROFITS FROM THE TOURIST.

It is to France, and especially to Paris, that the tourist is drawn. The French capital is filled with foreigners with their purses wide open from one year's end to the other. It is a common saying that, but for the patronage of Americans and English, half of the large Parisian hotels would be tenantless and compelled to close. The American invasion of Paris this year has been unprecedented. We read that "the dining room of the Hotel Ritz looked like the Casino in Newport," because of the well-known Americans there. Always a magnet, Paris, since motoring on the Continent has become such a fad, is the real hub of the pleasure-making universe. "Automobilism," said Yves Guyot, the French economist, recently, "has contributed to the general augmentation of riches in France." The perfect roads of the republic are very nearly paying for themselves in the great fund of gold that motorists annually leave in the country. There has been a sort of renaissance among the old inns of the chateau region, where nearly every motorist now spends part of his time, and also in the cathedral towns south and east of Paris. At one time this summer it was reckoned that 8000 automobile parties, embracing 40,000 Americans, were touring the Continent, and that their running expenses would be \$25,000,000.

But it is in the capital itself that the yield to the nation from her visitors of pleasure is largest. Frank H. Mason, Consul-General to Paris, in his latest report to Washington, placed the value of exports from the various American consulates in France to the United States at \$129,000,000. This was for the year ending June 30, 1907. From the city and district of Paris the amount was \$64,143,000. This was an increase over 1906 of \$12,105,000. But it must be borne in mind that these figures do not include any of the vast amount of clothing, furs, jewelry, and other articles of luxury and taste bought by Americans and taken home for personal use. These may have a value, Mr. Mason says, of \$20,000,000 as a minimum, or they might be twice as much. Taking an average, it would be conservative to estimate the money spent for souvenirs, for wearing apparel, jewelry, and the like at about 10 per cent. of the actual living and traveling expenses.

These figures include only the American toll to France. The English contribute nearly as much, if not more; the Germans a good bit, while few persons realize the liberal spendings in Paris of the South Americans, such as the Brazilian, Argentinian, and Chilean.

SWITZERLAND'S TIDY INCOME.

While the tourist revenue of Switzerland does not compare in the aggregate with that of France, it still represents a greater proportion of the national revenue. It is, as I stated before, more important even than the returns from trade. We are able to get a very accurate idea of what it amounts to, since the business of catering to the foreigner is so much a part of the republic's life that a record has been kept of the moneys expended in this direction. The report of the Swiss Hotel-Keepers' Association, whose latest publication I have been able to obtain, gives some very interesting data on the subject. This shows how hotel receipts alone have doubled since 1880. They are to-day 200,000,000 francs (\$40,000,000) a year. In the past twenty-five years the number of hotels has risen from 1080 to 2000. One reason is the inauguration of winter sports. Whereas in 1903, the year when the last figures were available, Swiss exports of watches were valued at 118,000,000 francs, laces at 131,000,000 francs, silks at 111,000,000 francs, and cotton goods and cheese combined at a little under 90,000,000 francs, the hotel receipts for 1905 were 190,000,000 francs. Not only for the money it produces but for the numbers it employs the Swiss hotel industry ranks high, with 33,480 employees in 1905, compared with 45,000 workers on farms, 45,000 on fabrics, and 44,000 in jewels. This does not include proprietors and their families, who all work together in the common cause.

Mr. R. E. Mansfield, American Consul at Lucerne, in his reports to his home office, has, in the past year, frequently mentioned the importance to the confederacy of money annually spent by tourists in Switzerland. Lucerne is the Mecca to which every pilgrim turns,—next perhaps to Paris in its fascination. It is the only Swiss municipality where an accurate record of all tourists is maintained. Therefore the figures it provides are important.

Between May and November last year, 186,227 visitors and tourists were registered in Lucerne. For local railway fares they

paid about \$6,500,000. They spent about as much more for hotel expenses, carriage hire and incidentals, so that the gross revenue was \$11,095,000, or \$347.35 per capita, for the Lucernese. These figures only tell the story of the city of the four cantons. Writing to me in June, Mr. Mansfield goes deeper into the subject and estimates that the 400,000 visitors to the various winter and summer Swiss resorts in 1906 spent \$31,000,000, or \$10 for every one of the 3,500,000 men, women, and children in the country. It will be seen that his figures are very much below those of the Hotel-Keepers' Association, which is concerned with living accommodations alone.

Thirty per cent. of the tourists to Switzerland are Germans. The Swiss are the next best patrons of their own hotels and railways. They represent 20 per cent. The English are third with a 14 per cent. ratio; but they stand first in the length of time spent in the mountains and valleys. France is fourth, and the remaining 25 per cent. is composed of Austrians, Hungarians, Russians, and Dutch. Probably many Americans are classed under the head of English, for certainly Americans swarm in Lucerne, Interlaken, and Geneva in the summer months.

THE AMERICAN TOURIST TOLL.

Of the 20,000 tourists who visit Norway each season and spend \$3,000,000 there, it is conceded that the Americans lead. So large a part of the travel to the fiords is by yacht and steamer especially chartered by tourist agencies that Norway does not get anywhere near the full benefit of it. A great deal of the money is paid out in London and at German ports.

The question of how much the American nation annually contributes to Europe for tourist travel and its incidentals has been widely discussed of late. It is everywhere admitted that the sum has been growing at a rapid rate in the last five years. It has come to be one of the best indices of national extravagance as well as of national prosperity. Europeans have been astonished at the freedom with which money has been spent abroad. It has been a policy of *carte blanche* for almost everything, everywhere. This reckless and prodigal spirit has had a great deal to do with giving foreigners the impression that American worship is of the golden god. No one doubts but that it has lowered the standard of European commercial morality and exaggerated the venality of French,

Italian, and Swiss innkeepers and shopkeepers. I read in an English paper recently that railway guards in England received \$1,500,000 a year in tips, "most of it probably given by Americans." When I saw the son of a Boston banker throwing his unused five-lira bills from the steamer at Naples to the rabble on the quay below I felt that he was committing a crime against his countrymen. This foolish and sinful waste of money imposed a tax on some other American when he bargained with the Neapolitan serving class.

From careful investigation in many quarters I should place the yearly American tourist toll to Europe at from \$125,000,000 to \$150,000,000. I include in that the money that goes to purchase valuable works of art. J. P. Morgan already has a collection picked up abroad at a cost of nearly \$10,000,000.

The number of American travelers to Europe this year ran from 125,000 to 150,000. Eastbound cabin passengers from the port of New York, from January to October, were 83,500, and second-cabin passengers 85,500. The individual expenses of a party in a personally conducted tour would be from \$400 to \$500. The average for a motor-touring party would be from \$2500 to \$3000. Bankers who draw a great many letters of credit for wealthy Americans say that the average credit is for \$3000, though instances are common where credits as high as \$25,000 to \$50,000, and even of \$75,000, are established abroad for our people and two-thirds exhausted in a three months' season. Elisha Flagg, general agent in London for the American Express Company, figures that Americans take \$100,000,000 abroad with them in various drafts, but that they do not spend it all. A German has recently prepared an estimate on the annual profit to Europe of the American invasion. He is radical in his statements, as he figures that 300,000 citizens of the United States cross annually and spend \$760 a head, exclusive of steamship tickets, or \$228,000,000 in all. American women, he reckons, leave \$8,000,000 with Parisian dressmakers and \$1,500,000 with milliners, while American tourists of both sexes spend \$2,000,000 in Paris for trifling mementoes of their trip.

A conservative English journal said editorially last spring, when preparations were being made to receive the traveler from "the States": "Not an insignificant item in the balance of trade between the United States and Great Britain is the expenditure in this

country of American tourists." It was then estimated that the money value to the credit of this account was \$25,000,000. Of this nearly \$10,000,000 represents the American subsidy to London alone. A detailed reckoning places the American hotel bills at the English capital at \$2,500,000; purchases of jewels, \$1,000,000; of antiques, \$1,750,000; of draperies, \$1,000,000, and to dressmakers, hatters, tailors, and haberdashers another \$1,000,000. The average bill at one hotel, that housed 6600 Americans in the season, was \$250.

Probably three times as much is spent by Americans in Paris and in France generally as in London and the British Isles; nearly as much in Germany as in England, especially since so many rich Americans take the water cure and count a season of physical retreat at the leading German spas as a part of their annual round of living; as large an amount in Italy as in England and Germany combined,—Italy now draws her largesse from nine of ten Americans who go abroad in the winter or spring,—while of the \$6,000,000 tourists' bonus to Egypt each year the American contributes a goodly share.

As an incident to this great yearly bounty on American pleasure-seeking is the further sum of \$15,000,000 which is spent by tourists in Canadian resorts, in Bermuda, Jamaica, and the West Indies. Every summer Americans fill the hotels of the Canadian Rockies. The toll of the Yankee is as great an incident in Bermuda's fiscal affairs as the revenue from her lilies, her onions, or her potatoes used to be.

"In the balance sheet of the nations," it has been wisely said, "the expenditures for travel form part of the invisible claims of other countries against us. The question comes up every year whether it pays, and the answer is both yes and no." Each individual must make his own answer. Has he wasted his time flitting from place to place, returning with a hodge-podge of impressions and hotel labels, or has he assimilated and drawn profit from the change of scene and the mosaic of ideas about better living put together from world-wide experiences? It is not so much that we spend \$125,000,000 or \$150,000,000 abroad each year, a sum equal to one and a half times our gold production and 50 per cent. more than the five-year average of our wheat and flour exports, but what interest this great sum of money draws for the higher culture of the investing nation.

THE NET RESULT AT THE HAGUE.

BY DAVID JAYNE HILL.

THERE are two widely accepted theories with regard to the pacification of the world which tend to belittle the value of the Hague Conferences. One is that permanent peace between the nations is intrinsically impossible, because their vital interests and purposes are in essential conflict, and the love of domination is so strong in human nature that war is certain always to recur in the future as it has in the past. The opposing theory is that universal peace is at once attainable by the mere resolution to abolish war, and that governments have only to agree to maintain peace by referring all their differences to third parties for settlement, binding themselves to abide by their decisions, whatever they may be.

Those who hold the first theory regard international conferences like those that have been held at The Hague as nugatory and superfluous, for the reason that such congresses can add nothing to the motives to refrain from war or to the power to prevent it. On the other hand, those who accept the second theory regard as sterile and derisory all discussions and agreements that do not go to the root of the matter and by one decisive act render war impossible.

Between these two ways of thinking, the Hague Conferences have been saluted with contempt on the one hand, and satire on the other; and have found their friends chiefly among those who consider that education, the perception of the practical value of law, and the gradual subjection of impulse to reason are progressive elements of national development under the laws of social evolution; and who, therefore, simply ask that, as in other spheres of political growth, there may be found in international relations a reasonable rate of progress toward the realization of the great ideals of peace, co-operation, and good will.

Leaving aside the merely theoretical aspects of the subject, let us modestly inquire what are the results of the Second Peace Conference at The Hague?

It is not without significance that, for the first time in the history of the world, the representatives of forty-five independent powers,—diplomats, jurists, and experts in

military and naval science,—have been able to meet together in a friendly manner and to discuss without animosity some of the most delicate international questions during more than four months without a rupture of personal or national amity. When it is considered that the Second Peace Conference at The Hague has included nearly every sovereign state,—and all of the greatest importance,—that in many instances the truth has been spoken clearly, earnestly, and sometimes with vivacity; that some of the delegates were but recently arrayed against each other in the heat of battle on sea and land, that others held or represented opinions diametrically opposed, that they were all largely occupied with considering what they might or might not do to one another in the event of a future struggle in which their lives and those of their countrymen would be the pawns, the courtesy, the reasonableness, and the agreement of these gentlemen regarding certain great principles present a commentary on our contemporary civilization and an exposition of its tendencies most gratifying to the moralist and the philanthropist as well as to the jurist and the publicist.

But what has the Second Conference done? It has demonstrated, first of all, not only that a universal congress of this character is possible, but that certain great principles,—or postulates of constructive action, as we may call them,—are now beyond dispute. Among these are the propositions that peace is the normal and war the abnormal condition of civilized nations; that the relations of sovereign states are properly based on principles of justice, and not upon force; that really sovereign states should have equal rights before the bar of international justice, independently of their size or military strength; that disputes between governments should be settled, as far as possible, by judicial methods, and not by war; and that war, if inevitable, is an evil whose disastrous consequences,—especially as regards neutrals, non-combatants, the sick and the wounded,—should by general agreement be reduced to a minimum.

What, then, has the Conference done to give practical effect to these principles? It

has concluded thirteen conventions, made two declarations, passed one resolution, emitted five *vœux*,—which the irreverent characterize as “pious wishes,”—and offered one special recommendation.

As the conventions have not yet been ratified, and the action which the different governments may take regarding them is unknown, it would not be appropriate for a recent delegate to do more than describe them in the most objective manner. It is impossible, therefore, at this time and in this article to attempt an analysis of the motives and policies of the different governments,—interesting as this might be,—in fixing the limitations that have been imposed. It is important to note, however, that, whatever may be the fate of these treaties as respects ratification and subsequent execution, they accurately register the degree of progress which an international conference, seriously and conscientiously aiming at the task of pacification, is now ready to accept.

The work of the Conference not only serves to indicate the exact stage that has been reached in international development,—which has a considerable value for students of the subject,—but it renders apparent what remains to be done in order to carry forward the movement of which it forms a part. That movement cannot be promoted by heaping reproaches upon those powers whose conservatism has prevented a further advance in making definite engagements. Each sovereign state has its own peculiar problems of government, is the rightful judge of its own interests and responsibilities, and cannot justly be placed in the pillory of public condemnation for the attitude which it regards as appropriate to the discharge of its obligations to its constituents. It is by solid argument and by good example, and not by censure, therefore, that international progress is to be promoted. However dear our theories and ideals may be to us as individuals or as nations, the first principle of all harmonious international development is that no sovereign state is to be coerced, and that each shall be permitted to act freely in the light of its interests and responsibilities as it sees them. Progress, therefore, can be made no faster than the powers will consent to make it; and that consent will depend in the future, as it has depended in the past, upon educational influence and wise diplomacy. What, then, is the stage of progress actually attained by the Second Peace Conference?

The first convention is a careful revision of the treaty of 1899 for the pacific settlement of international disputes. With regard to good offices and mediation, a slight step forward was taken by the acceptance of the American proposition that the initiative of powers foreign to the controversy in offering them is not only “useful” but “desirable.” Greater precision has been given to the operation of commissions of inquiry, whose great utility has already been tested, but it was decided that the functions of such commissions should be confined to a determination of facts and should not extend to fixing responsibility. As regards arbitration, while it was reasserted that “in questions of a legal character, and especially in the interpretation or application of international conventions, arbitration is recognized by the contracting powers as the most efficacious and at the same time the most equitable means of settling differences that have not been adjusted by diplomacy,” and, “in consequence, it would be desirable that, in contentions of this character, the powers should resort to arbitration,” it was not found possible to render this resort an obligation.

It is necessary to state, however, that while unanimity upon this proposal was not obtainable,—even for a convention that omitted all questions affecting “the vital interests, independence, or honor” of the contestants and included only a meager list of mainly unimportant subjects,—thirty-two powers voted in favor of it, only nine were opposed, and three abstained from voting. As practical unanimity was held to be necessary for the inclusion of a convention in the final act, even this very moderate attempt at obligatory arbitration was unfruitful. Still, as this strong manifestation of a disposition to make a definite engagement could not conveniently be nullified without being in some measure recognized, it was resolved, with four abstentions, that the first commission was:

“unanimous (1) in recognizing the principle of obligatory arbitration; and (2) in declaring that certain differences, notably those relative to the interpretation and application of conventional stipulations, are susceptible of being submitted to obligatory arbitration without restriction.”

Regarding this resolution as a retreat from the more advanced position that had been taken by thirty-two powers, the head of the American delegation clearly explained its attitude and refrained from voting.

It must, in justice, be added that some of the powers voting against an obligatory arbitration convention probably did so chiefly for the purpose of avoiding the isolation of others, and that some of the powers most earnest in opposing the project not only have negotiated special treaties of obligatory arbitration, but declare their intention of negotiating many more. The state of the question, then, is this: all accept the principle of obligatory arbitration in certain classes of cases, thirty-two powers are prepared to make definite engagements with all the rest, nine prefer to make them only with states on whose responsibility they can rely, and three decline at present to commit themselves.

The second convention relates to the limitation of the employment of force for the collection of contractual debts. The form which this American proposition finally took is sufficiently shown by citing the text of its first article:

The contracting powers are agreed not to have recourse to armed force for the recovery of contractual debts claimed of the government of one country by the government of another country as due to its nationals.

Nevertheless, that agreement will not be valid when the debtor state refuses or leaves without reply an offer of arbitration, or, in case of acceptance, renders impossible the conclusion of a protocol, or, after arbitration, fails to comply with the judgment rendered.

It is also provided that the judgment shall determine the question whether or not the claim is well founded, the amount of the debt, and the time and mode of payment.

It is hardly necessary to point out that this convention is not only a very substantial gain in the process of substituting justice for force in international dealings, but demonstrates a spirit of conciliation and regard for equity in the treatment of the weak by the strong that promises well for the future. Its deep significance for the financial credit and the political security of the smaller states, especially on the American continents, does not require emphasis. Although accompanied with several reserves by certain states which hold that force should in no case be employed for the collection of debts based on contract, and the abstention of six of the smaller European states, the proposition was adopted by the Conference by thirty-nine votes with five abstentions.

The third, fourth, and fifth conventions relate to the opening of hostilities, the laws and customs of war on land, and the rights and duties of neutral powers. The pro-

visions are, in general, in the interest of humanity and a wider recognition of the world's brotherhood. The sixth, seventh, eighth, and ninth conventions relate to the prosecution of naval warfare.

The acceptance of the American proposition for the immunity of the private property of belligerents at sea,—which received twenty-one favorable votes in the Fourth Commission against eleven, and one abstention,—would, no doubt, have radically affected the substance of this group of conventions; but, being opposed by several of the most important naval powers, it was impossible to obtain for it the necessary support.

As several of these conventions rest upon no general principle whatever, but consist merely of concessions based upon the maritime interests of the powers, no attempt will be made to explain them here; for, in order to comprehend them, it is necessary to refer to the text of the articles as interpreted by the *procès-verbaux* of the Conference. The sixth and seventh conventions the American delegation did not sign, partly because they seem to be more oppressive to the rights of private property than the present customary law of nations, and partly because they appear to affect the rights of self-defense, which the United States, as a peaceful nation, has always maintained as correlative to customs of naval warfare which have not yet been abolished. If, on the other hand, the restrictions upon submarine mines do not seem to humanitarians as radical as they would desire, it must be remembered that nations with long and distant coast-lines exposed to the attacks of powerful navies cannot safely forego the right of self-protection even at considerable risk to peaceful commerce. As respects the bombardment of unfortified places by naval forces, the ninth convention prohibits such forms of attack, except when they contain military material for which surrender has been demanded and refused.

The tenth convention applies the principles of the revised Geneva convention to maritime warfare. The eleventh exempts from capture all postal correspondence, official or private, found at sea on any vessel, neutral or belligerent, as well as the boats of fishermen. The twelfth establishes an International Prize Court, to which appeal may be made from the decision of a belligerent prize court, under certain conditions, either by a neutral power, a neutral private person, or even a private individual belonging to a belligerent power, if the decision of the na-

tional tribunal concerns merchandise carried by a neutral ship. The thirteenth convention presents a code of thirty-three articles concerning the rights and duties of neutral powers in case of maritime war. It has not been signed by the American plenipotentiaries, for the reason that it imposes upon neutrals obligations which it might be impracticable for them to discharge.

Such are the conventional engagements which the Second Peace Conference at The Hague has proposed to the nations. In addition, it has adopted by twenty-eight votes to eight, with seven abstentions, a declaration prohibiting the throwing of projectiles and explosives from balloons. In a resolution stating that it is "highly desirable" to see the governments take up the serious study of the continued increase of military charges, it has merely absolved itself from the discussion of a question which it would be powerless to settle, and has thrown the responsibility for examining it upon the separate governments. As no one of them has made a definite proposition to diminish its military strength, it is difficult to see how the Conference could take any other than this purely advisory attitude.

There remain the *Voeux*. These unfulfilled aspirations are confessions that the Conference has had hopes that it could not realize. Foremost among them is the proposed adoption of an elaborate project for the establishment of a Court of Arbitral Justice, not to supersede but to supplement the present Tribunal of Arbitration. Originally suggested in the instructions of the American delegation, its present form is due to the collaboration of the delegates of the United States, Great Britain, and Germany. It is appended textually to the final act, and requires for completion nothing but an agreement for the choice of judges. The serious labor expended upon it is not lost, though its fruits may be late in maturing. It only remains for the powers to take up the project at the proper time through diplomatic channels, and thus carry to completion a great international institution.

The second *Vœu* invites the competent authorities, in case of war, to consider it a special duty to assure and protect pacific relations between the populations of belligerent states and neutral countries. The third proposes that the situation of strangers established in the territory of the powers with

regard to military burdens be made the subject of special conventions. The fourth urges the elaboration of a code regarding the laws and customs of naval warfare by the next Conference. Finally, the Third Peace Conference at The Hague is foreshadowed in the recommendation that, after an interval similar to that which has elapsed between the preceding and the recent meeting, a date be fixed for another by common agreement between the powers, that a sufficient notice be given in advance, and that two years before it is convened a special committee shall prepare its program, and be charged with the proposal of its mode of organization and procedure.

Until that time the promotion of the peace and good understanding of the nations will probably be left to the methods of diplomacy. If the task remains difficult and delicate, it should certainly be less so than it was before the Second Peace Conference convened; but the experience of that assembly has made it more clearly evident that, as the work of schools and churches does not consist chiefly in educational and ecclesiastical congresses but in the steady, careful, and faithful performance of duty by the rank and file of the teachers and the clergy, so international conferences in the interest of peace and justice owe their fruits mainly to the care, the fidelity, and the competency of statesmen and diplomatists who maintain the daily relations between sovereign states. That this is, in truth, a serious business, affecting the welfare of all mankind, is becoming more and more evident as the interests of great nations are more and more closely intertwined by the growth of individual and commercial intercourse. Without the previous preparation for the recent Conference by the action of the eminent Secretary of State of the United States, and the ripe experience and high prestige of the ambassadors whom the President sent to The Hague to head the American delegation, it would have been difficult to hold the place there which that delegation has held. If the results of the Conference do not seem brilliant, it is not because noble ideals were not held steadily aloft, but because it is the function of an international conference simply to register the general average of progress that has been attained. However this may be estimated, it represents the materials with which the diplomacy of the future has to deal.

LEADING ARTICLES OF THE MONTH.

THE DECAY OF CHILDHOOD.

THE precocity of the average American boy and girl and the encouragement by many parents of mental "forwardness" are themes with which newspaper, periodical, and magazine readers are tolerably familiar. So much has been said during the past few years, by way of reproof, from sober-minded seniors and juniors, both lay and clerical, that the present tendency among reflective parents is rather more toward the suppression of that "awful child," who, to use a well-worn colloquialism, is always "butting in," than it was, say, ten years ago.

But all the "too-previousness" and forwardness and other unenviable traits among children is not, apparently, on the North American side of the Atlantic. A few remarks on this ever-timely topic,—remarks as vigorous as they are true,—are recorded in the current *Westminster Review*. The writer, Wilfred M. Leadman, says exactly what he thinks. Hear him:

Our children are children only in their beauty, and if nature be consistent even that characteristic will disappear soon. Our boys are already becoming mere animated lumps of muscle and flesh, impelled solely by material considerations. The soft treble tones of boyhood or the mellower notes of adolescence can rarely be heard murmuring the exquisite fables of old, but they are too apt to grate on the ear with the horrid slang of the football field or the hideous jargon of the mathematical classroom. Bounded as the modern lad is on all sides by the paraphernalia of a pernicious pedantry, and ever breathing a scarcely less injurious atmosphere of athletic snobbery, his eyes have become sealed to the perception of anything that is not tinged with the prevalent spirit of grab or curiosity. It is a terrible indictment to make, but our popular educational system is heart and soul materialistic; it holds out before its victims but one ideal,—the ideal of "getting on" at all costs; it resolutely neglects the goal of high aspirations. Small wonder, then, that our boys and girls under analysis present a singularly unattractive set of ideals.

Furthermore, the writer who thus antagonizes our very earliest, very latest, and most cherished traditions, proceeds to "jump upon" the (British) poets in this alarming fashion:

There are only chemists and critics nowadays. True, the poet still lingers with us, but (with the present generation) poetry is considered at best only an amusing intellectual aberration,—a sort of glorified mania,—at worst as a literary dry rot, possessing a weird beauty, perhaps, but always denoting hidden corruption. And this spirit,—this hatred of romance and detestation of fancy,—is generally sure to stifle any latent poetic instinct in the young to-day. I am convinced that if Edgar Allan Poe had undergone an English training such as boys have to pass through at the present time he would certainly have wasted a long life in riotous prosperity, and died in the odor of rich respectability, but he would *not* have extracted from his heart all that golden music with which he has charmed a drab world. I know that this seems to be fooling, and yet,—how many noble instincts and divinely sent natural gifts are being perverted and utterly transformed by the vile leaven of base modern ideals? It is hard enough for an adult to attain to such a splendid detachment from current convention as to pursue consistently an original mode of life; surely it must be impossible for the average child to move counter to the direction of the majority.

The British educational authorities, too, come in for unmerciful castigation in this wise:

How much may not this country be *losing* by her absurdly rigid educational system? She is cramming her youth with solely commercial or athletic ideals. She is completely blind to a boy's promising individuality; instead of giving him a sympathetic environment and treating him with the same minute attention to the smallest details as the animals at the zoo are treated, instead of trying to discover his innate abilities and nourishing them to a grand and glorious growth, she is herding 'all her boys in huge barracks, training them all on the same wicked, egoistic principles, pitchforking them into the professions or trades which most suit their parents' pockets, and then congratulating herself on her splendid results. Yes; wrecked lives, distorted ideals, degraded abilities,—those are often the fruits of our superb scholastic régime. If I may risk the charge of irreverence I would say that man in future is to be made in the image of Rockefeller or Sandow, not of God. And we still go gayly on, heedless of the warnings coming to ear and eye from school and nursery. Here are one or two. Almost all boys and girls now have a morbid dislike of legend and fairy-tale. One constantly hears expressions of doubt, distrust, and positive disbelief from childish lips with reference to any nar-

ration that seems inexplicable. The wonderful vital elasticity of a child's imagination is being gradually rotted by what Oscar Wilde so admirably called a creeping common sense. It is possible to obtain much amusement from the

labored elaborations of some shrivelled scholar who is endeavoring to explain away the story of "Puss-in-Boots." There is a certain harmony between the cracked lips and the cracked theories.

EDUCATION OF THE NEGLECTED RICH.

TO-DAY there are indications at hand establishing the fact that the children of parents in very moderate circumstances receive a better training for life's problems, and are, therefore, better enabled to make something of themselves, than the children of very rich parents. "The child who, under our present laws, is to inherit great wealth, and, potentially, great position and great influence, too often is not given a fair chance to become a decent, intelligent, self-respecting citizen, because of the folly or neglect of his parents," says Dr. Nicholas Murray Butler in the *Educational Review* for November.

In the public school the child of the parents in moderate circumstances learns the first great lesson of practical life,—punctuality and regularity in keeping engagements and in the discharge of daily duty. From his associations he learns that natural ability, good sense, friendly companionship, and high purposes are as likely to be the characteristics of the son of the artisan as of the lawyer or large manufacturer. False consciousness, caddishness, and snobbery, hence, are not developed in him. When he goes to college he makes good use of his time and his opportunities to fit himself for intelligent citizenship, no matter what his future calling may be. He is the stock of which his community is made up.

Contrariwise, the child of the wealthy has no such opportunity. Fashion dictates his up-bringing. Horse shows, or the like, happening about the period when schools open in the fall, defer his entrance upon study until November at the earliest. Occasionally there are absences of from two to four weeks, and by mid-April the "country house" must be opened, and school sees no more of him for that session. With such interruptions in his school life it is practically impossible for him to derive any good effects.

Moreover, his associations are apt to make him a member of a class apart from the rest of the Republic's juveniles,—the worst possible preparation in our American democracy. Or, the school which he attends is probably

one subordinated to the caprices of the wealthy; hence systematic and judicious training of mind and character is impossible. Private tutoring does not benefit him. It tends to develop all his idiosyncrasies, deprives him of the opportunity and aid of companionship and healthy emulation of other boys, and builds up a dismal sort of self-consciousness which is singularly unfortunate.

At fashionable boarding-schools things go from bad to worse. Snobbishness replaces character and sport, sometimes study. College is entered through the strenuous efforts of "coaches," and from his college life he practically gets nothing. His associates are exclusives like himself; his aims are usually social, occasionally athletic, never scholarly. As a rule he loafs through college, hires a substitute to pass his examinations, and, after scraping over the barriers to graduation, in a few years secures a degree, and is thereupon eligible for membership in any university club in the land. This process, says Dr. Butler, is gone through with every year.

To youths of this class a college is never thought of as an educational institution. "It is a social opportunity, an agreeable country club, where one takes his valet, his polo ponies, his bulldog, his motor car." Wealth weighs lightly on him and so abdicates its natural and just position in the community. Parents are principally responsible for this condition of affairs. With low ideals of life, or no ideals at all, they thus neglect their children's education, inflicting a positive injury on the body politic by leaving immense fortunes to uneducated, untrained children with no sense of responsibility to the public, and no ideals other than display and personal enjoyment.

To wealth, as such, there is little real antagonism. There is a plainly growing resentment to the abuse of it by the children and grandchildren of those who accumulated family fortunes. The excesses of the younger generation are the result of bad education, or no education at all. The only solution is

for the rich parent to treat the question of his children's education as a matter of supreme seriousness. He must charge himself with seeing that their habits of mind and body are sound; likewise their study and play; that their instruction and discipline are serious and systematic, that their outlook on life is broad, rational, and well-balanced; and "finally, that their ideals of conduct are such that will make them good, law-abiding, responsible citizens, able and willing to bear their share in forming public opinion and in

contributing to the life of our democracy."

The obstacles to such a reformation are found in the folly and indifference of fathers and in the vanity and false pride of mothers. Perhaps the latter are more blameworthy than the fathers. The number of such uneducated boys, fortunately, in the whole community is not large; but, unfortunately, the publicity which attaches to the slightest movement or action of themselves or family, lends undeserved weight to their example, so often a pernicious one.

THE MIGRATIONS OF LABOR.

"THE modern migrations of peoples surpass, in intensity and extent, the great popular migrations of olden times. They tear whole generations out of their native soil, and transplant whole nations in foreign territory; they annihilate here the cultural characteristics of a people, and there they cause new nations and cultures to spring forth." In these words Herr Ellenbogen, one of the Austrian delegates to the recent International Socialist congress at Stuttgart, concluded an eloquent address before that gathering.

If any one should regard this as an exaggeration, his attention may be called to the following facts, set forth in a strong article by Friedrich Naumann, in *Süddeutsche Monatshefte*:

For centuries the negroes have been transported to America, and have there become an element of the population which gave rise to the North American Civil War, and the incorporation of which into the American national body has, by no means, even yet, been accomplished. From America, and also to a certain extent directly from Africa, the negro is distributed, in individuals, all over the great ports and cities of importance, especially those in warmer climes.

From China and Japan flows a stream of labor toward all tropical and sub-tropical colonies, unless these put up the law as a bar against it, as Australia has done. The advent of the Chinese and Japanese have already, in the Far West of North America, become a vital question to the European elements of the population, and they are also becoming more and more numerous in the Eastern cities of the United States. In the gold and diamond fields of South Africa they have a Chinese question, and London and

Hamburg have already quite a number of Chinese among their seafaring people. "Our [German] coal industry magnates and agricultural landowners of prominence are contemplating whether they should import Chinese."

From southern and western Russia, from Poland, Galicia, and Roumania, great hosts emigrate, either to America or to Germany and England. "Our baronial estates are already unable to get along without these migratory laborers, and in the German mining regions there have arisen colonies with foreign population."

Italy sends to Germany and Austria numerous masons, diggers, and foundry workers. "Just think of the Lothringian iron industry." In all large German cities colonies of Italians are found. At the same time, the Italian populates northern Africa and South America; and he is also generously represented in North America.

The Irish leave their home country, and become Americans in large numbers. The same applies, in a certain degree, to the Scotch and Norwegians.

The Germans have contributed largely to the colonization of North America, but have also, in earlier times, sent considerable numbers of laborers to France. "Nowadays, the great emigration has ceased and has been replaced by an immigration, but German stragglers are yet to be found in every country."

Through all these migrations the racial character of entire nations is changed. This fact is most apparent in the United States of North America. There the English-German race, together with a certain French element in formerly French territory, forms the core of the population. Language and customs are English-American. But with every year the foreign element increases and expands the more, as the

number of children of English stock is decreasing, while the immigrants of other races, in most instances, come abundantly endowed with prolific propensities. American writers have, and not without reason, pointed to the transformation process which the Roman Empire, and particularly the city of Rome, underwent in the first centuries after the birth of Christ, when all old Roman institutions, while yet remaining as such, were filled with non-Romans, until a time arrived when the empire was governed by Illyrians, Spaniards, and Africans, and was no longer a Roman empire. Among the other theories as to the causes of the downfall of the Roman Empire, the contention that the barbarians destroyed Rome through their influx and settlement is certainly, in a measure, justifiable, and may serve as a warning to us moderns.

The historical warning cannot, however, continue Dr. Naumann, help us out of the present situation in the United States. What will free America, which has founded its present culture on migration only, do in this case? Should she, and could she, close herself up against immigration? Exclusion measures have been tried against the Slavic, as well as against the eastern Asiatic, immigration.

Can a modern state close its doors? Can it withdraw labor from its agriculture and industries because this labor is of foreign origin? Or should it not have such a strong faith in the power of assimilation that it does not question its own ability to amalgamate all strange elements into a future unity?

With Germans, says this writer, further, the immigration question has not yet become as urgent as it is in North America, but among all nations we rank next after the Americans in regard to immigration interests and immigration troubles.

Our Polish question is only a part thereof, although the one which has been most frequently dealt with, and which has excited the keenest interest. As far as one may rely on the rather uncertain statistics on the use of the mother tongue, it appears that fully nine-tenths of the population in the German Empire is German. The non-German inhabitants, however, trace their origin, to a great extent, from German national territory (Poles, Danes, Alsatians, Mazures, Wends, Lithuanians). The number of immigrants, in the proper sense of the word, is, then, not overwhelmingly great, yet it cannot be denied that the Rhenish-Westphalian industrial district, Berlin, Upper Silesia, and partly also Saxony have already a pretty mixed population, and that all the great landed estates east of the Elbe are dependent on foreigners. Thus the question presents itself also to us, whether we should let matters take their own course and shape themselves as they may. The Prussian Government plays a double hand. It supports the ultra-agrarian policy, of which it knows that the effect will be a gradual Slavic influx, and at the same time it busies itself with making restrictions as to residence against the migrating

laborers. There is an absolute lack of system in dealing with the situation in hand.

Just as there are, in a financial way, creditor states and debtor states, so there are, we are reminded by Dr. Naumann, in a migratory respect, immigration states and emigration states.

As we Germans have earlier been an emigration state, and lately have become an immigration state, we can, in a measure, understand the interests connected with both phases. While an emigration state, we have complained of all restrictions placed against Germans, "out of spite," by any foreign country. We protested against the decision of the municipal council of Paris to employ only French street-sweepers, as this action was prejudicial to the interests of the German street-sweepers of La Villette. This is only a sample of many. We have always considered it as some sort of right of man that Germans should be permitted to put themselves in evidence everywhere. But we have not always found it quite so easy to concede this same right of man to all those who have desired to settle down with us. This was most glaringly brought forth in the anti-Semitic representations against Jewish immigration, but has also manifested itself publicly on many other occasions, when it was stipulated, at the building of the magnificent canals, that no foreigners should, if possible, be employed. Hardly any class of the population is altogether free from sentimental dislike of any kind of immigration whatsoever.

It would seem highly desirable to permit the migration to continue as it may, but to limit the trade in men. To this end the following means are provided:

1. Prohibition of the importation of contract laborers. This is the principal thing, and would, if carried into actual practice, act almost as a heavy tariff.
2. Raising the standard of labor protection for all classes of laborers, even the lowest, to such a height that it would not pay to employ unskilled labor. This idea has been most thoroughly carried through in Australia, but appears there in connection with a prohibition of immigration.
3. Concession of all political rights to immigrants. This is a rather double-edged means. It promotes, on the one hand, the political and professional organizability of the immigrants, but gives them, on the other hand, a controlling influence so much the sooner.

Thus, concludes the German writer, we see that the leading idea is this: We should admit only such people as we may expect to be able to raise to the level of our own cultural requirements.

To this latter end the trades unions should direct their educational attention. To this corresponds, on the other hand, that which is demanded of the emigration countries. Especially is a close control of the emigration agencies required, and also stipulations in regard to minimum space on emigrant ships.

FIFTIETH ANNIVERSARY OF THE "ATLANTIC MONTHLY."

FOR fifty goodly years our illustrious contemporary, the *Atlantic Monthly*, has been a beacon-light in the realms of American *belles-lettres*. The name of every prominent and distinguished man of letters in this country during the past half century has, relatively speaking, at one time or another appeared between its covers. Emerson, Longfellow, Lowell, Whittier, and Holmes, it will suffice to mention; and the general excellence of its contributions has never been seriously questioned. As then, it is now, our representative literary magazine, and of its ideals and purposes every American has just reason to be proud.

Its November issue contains some unpublished verse by James Russell Lowell; "The Launching of the Magazine," by Prof. Charles Eliot Norton; "An Early Contributor's Recollections," by Mr. John Townsend Trowbridge; "Recollections of an Atlantic Editorship," by Mr. William Dean Howells; "Literature" (1857-1907), by Mr. Thomas Wentworth Higginson; "Science" (1857-1907), by Mr. Henry S. Pritchett; "Art" (1857-1907), by Mr. Hamilton Wright Mabie; "Politics" (1857-1907), by President Woodrow Wilson of Princeton; "Atlantic Dinners and Dinners," by Mr. Arthur Gilman; "The Editor Who Was Never the Editor," by Mr. Bliss Perry (its present editor); "Unbound Old Atlantics," by Lida F. Baldwin; "The Writer and the University," by Mr. Walter H. Page; and "Rose Macleod," a serial by Alice Brown.

Entertaining as are these articles for all readers, to subscribers and friends who have supported the magazine from its foundation they must prove exceedingly interesting and grateful.

In the spring of 1857,—to be exact, on the twenty-third of May,—Lowell wrote to Professor Norton, in England, as follows:

We are going to start a new magazine here in October. . . . The magazine is to be free, without being fanatical, and we hope to unite in it all available talent of all modes of opinion. The magazine is to have opinions of its own and not be afraid to speak them. I think we shall be scholarly and gentlemanlike.

Professor Norton returned to America with several manuscripts from various English writers in July, but the trunk containing the precious contributions mysteriously dis-

appeared. "The whole affair," wrote Lowell hereon, "is as melancholy as it is mysterious." As the weeks wore on, however, it was discovered that this embarrassment was in reality a blessing, for it relieved the editors from the necessity of rejecting well-intended but unsatisfactory material. The *Atlantic* was to depend for its success upon American writers.

Nevertheless, the leading article of the first number was the sketch of an English author, Douglas Jerrold, by James Hannay, an English writer, then widely celebrated, but little remembered to-day,—this manuscript having escaped the ill-luck of being in the lost trunk.

Lowell was determined to maintain a high standard, and read, personally, every manuscript submitted for publication. The reading, he complained, "was hard work," and the amount of work that just fell short of being good "astonishing." The second number of the magazine was better than the first, according to him, and he expressed a fervent aspiration that the third issue would be still better.

"No magazine," says Professor Norton, "could have had a more brilliant and prosperous start, or one which gave better promise for continued success."

At the outset it depended largely for its cordial reception by the public upon the contributions of writers already eminent, the great writers of the middle of the century. As one by one these lights were extinguished, their places were not supplied by any of equal lustre. But while the higher ranks of literature, especially poetry, were thus depleted, there was a rapid increase of capable writers of abundant knowledge, and of trained faculty of thought and of expression, and of manifest talent. A democracy was substituting itself for the older aristocracy and with the usual result: the general level was raised, while but few conspicuous elevations lifted themselves above its surface.

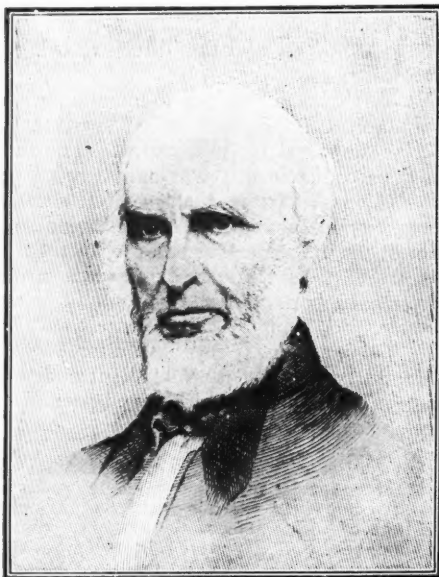
According to this writer, the difference between 1857 and 1907 seems like that between ancient and modern times. There was no Atlantic cable, no telephone. The Civil War was still unfought. The increase in knowledge has been immense and rapid, while material conditions have altered greatly and with them the world's intellectual outlook. "To-day," says he, "the writing about material things and of the daily affairs of men of politics and of society, history, biography,

voyages and travels, encyclopædias, and scientific treatises, far outweighs, in quality no less than in quantity, the literature of sentiment and the imagination. The whole spiritual nature of man is finding but little, and for the most part only feeble and unsatisfactory, expression."

He complains that there is not a single commanding voice in poetry to-day. But

this shall not be forever. The spirit is never wholly quenched. Romance never dies. The stars of night still shine to the souls of men. Great harpers will come again, "and the latter days of the *Atlantic Monthly*, in that perhaps still distant time, may be no less worthy of fame than when Emerson and Longfellow and Lowell and Whittier and Holmes were its regular contributors."

THE CENTENARY OF WHITTIER: "AMERICA'S ONE SINGING VOICE."



JOHN GREENLEAF WHITTIER, 1807-1892.

ON December 17, 1807, John Greenleaf Whittier, poet and reformer, was born in the outskirts of Haverhill, Mass. This month New England celebrates the Whittier centenary, and a number of articles appear in the literary magazines setting forth the Quaker poet's claims to the appreciation and gratitude of his countrymen. In *Putnam's Monthly* for December there appears an appreciation by H. W. Boynton, who gathers up into several interesting pages the main points of Whittier's claim to distinction.

A recent pilgrimage to the old farmhouse in which the poet was born did not impress Mr. Boynton very deeply. The birthplace

looked exactly as it might have been expected to look,—“such a little old farmhouse as you may see on any New England hillside.” The very homeliness and apparent commonplaceness of the place, however, suggest to the writer of the article in question the true distinction of Whittier.

Quite as truly as Burns, Whittier was indigenous incorrigibly provincial in the narrow sense, yet, through his very loyalty to the province which nature had made his own, achieving an integrity of effort and result hardly to be attained by the most ardent cosmopolitanism, the most skilful compliance. The Haverhill farmhouse was not merely Whittier's birthplace; it was his home for some thirty years, and the rest of his long life was lived within a few miles of it. He did not “drag at each remove a lengthening chain,” for there were no removes. He was not translated from one State to another, from one plane of living to another, like Longfellow and Bryant. He would never travel; he refused repeatedly to go to England, though the warmest of welcomes awaited him there. He was content to take always deeper root in the soil from which he sprang. There are plenty of farmers in the neighborhood to-day who are equally immovable, equally stubborn in their parochialism. They are a silent race, but they have had their voice.

Whittier was more than reformer and genre poet; he has a clearer title to fame in the fact that he is a true singer,—the “only remarkable singer America has certainly produced.”

Due tribute has been paid to his ardent and generous services of a public nature and to the beautiful serenity and purity of his private life. We may remember him here for a moment as a singing voice.

Not that the gentle poet himself was under any delusions as to his capacities and limitations. It will be remembered that in the “Proem” to the collected edition of his poems in 1857, he says:

Not mine the seer-like power to show
The secrets of the heart and mind;
To drop the plummet-line below
Our common world of joy and woe,
A more intense despair or brighter hope to find.

Yet here at least an earnest sense
Of human right and weal is shown;
A hate, of tyranny intense,
And hearty in its vehemence,

As if my brother's pain and sorrow were my own.

But, according to Mr. Boynton, his great claim is that he was a pure singing voice, with a fine, close acquaintance with nature. "The truth is, no other American poet has had so intimate a knowledge of the subtle lines and softer shades of Nature's face."

THE ECOLE DES BEAUX ARTS: ITS INFLUENCE ON OUR ARCHITECTURE.

IN the architectural world the strongest influence operating in the United States is that of the modern French school. The "change of front" of American architecture during the past decade is both significant and systematic, and really deserves the consideration and attention of the public. "Is this as it should be, and were we to throw off this influence, would we, in our untutored and susceptible condition, indulge in other architectural excesses which would be even worse? Should we not before we have allowed this transplanted art to take so firm a hold of our people as to nip in the bud or postpone indefinitely any tendency to develop a national architecture, stop and consider?"

Thus writes Mr. J. Stewart Barney, on this subject, in the *Architectural Record* for November, in explaining why we have adopted the teachings of the modern French school while neglecting the magnificent architecture immediately preceding the Renaissance. The influence of this school, he declares, is not the best for the future architect of America. A few years ago we had not a single graduate of the "Ecole des Beaux Arts." Now, we have many. Yearly hundreds of young Americans go to Paris to study architecture in that school or under the direction of one of its graduates.

The purpose of the writer is to point out that the theories and teachings of the "Ecole des Beaux Arts" do not apply to modern American requirements, not to criticise the French architecture of the Renaissance. The methods of the modern French school are indispensable for the French student aiming for the "Grand Prix de Rome," but not at all serviceable for the American. While regretting the absence of that atmosphere of universal appreciation of art which gives to the American student in Paris new interest and encouragement, he says the latter must

be able to distinguish clearly and distinctly between true thought and raving, reason and nonsense, conviction and pose. "He must be able to disabuse his mind of the idea that in his work in Paris he is preparing himself for his work in America."

The French student, says he, is taught to plan with his eyes. "He uses a very soft pencil, or, preferably, a piece of charcoal. With this, on a small piece of paper, he spins and spins and spins in concentric circles, until he has covered the entire paper with a soft gray tone of interlacing lines. These he smears occasionally with his fingers, and in this shadowy uncertainty his quick and trained imagination sees or devises a form which his experience has shown will be considered good. He then forces the conditions which govern the problem to fit this beautiful form. By the process of proportioning the different parts of his plan he claims to arrive at a solution, and by means of his power of indication he renders the whole pleasing to the eye. The first is false, the second deceiving."

In brief, they may be accused of wrongly applying the rules of artistic combinations of forms, lights and shades. Accordingly, the writer says, their theories are just as applicable to the working drawings for an automobile. They will criticise a plan without even thinking of asking the scale at which it is drawn, and are apt to form standards of excellence which are erroneous. When their methods are applied to American competitions for a real building, great injustice may be done to those who are not educated in these theories, or, understanding them, consider them worthless and refuse to be influenced by them.

By the French teaching, the plan is an assemblage of symbolic indications, and when rendered in accordance with their rules of

shades, tones, values, etc., is perfectly understood by their judges. Under such a system the student, if he is a master of the art, can at will suggest to the judges grayness, sadness, light and air, or absence of both,—a beautiful view or a dense forest. All this is meaningless, childish, and aimless, to the writer, who believes that it is time to stop and consider.

Advocates of the French system who have attained proficiency claim to be able to design by the theory of proportion the correct solution of any problem, a blockhouse in Alaska, the palace of a king, the house of an American millionaire, or an undertaker's shop, twenty or thirty stories high, to be built in New York, without any other preparation than a good eye for proportion and a

wonderful skill in indication. Since this school encourages "false indication" the writer thinks it is time to object to the importation of its product into this country. False conditions, false solution, false indication, false construction are its characteristics.

It is an architect's chief duty to produce artistic solutions from given, practical conditions. His real business is not with the drawings but with buildings and their arrangements. The French school reverses this and then exceeds it, by giving the execution of the drawings paramount consideration. These tendencies, the writer says, we are unduly magnifying, and are permitting to creep into our every-day architectural practice.

OIL TRANSPORTATION INDUSTRY.

STANDARD OIL for more than a generation furnishes the clearest illustration of prevalent oil-shipping practices. In fact, the course of the company has been shaped largely through its transportation conditions. Prior to 1872 the railroads did this work, and up to 1877 were embroiled in "pools," rate wars and the like. The Interstate Commerce act of 1887 put an end to pooling and discriminations. In 1874 the reorganization of the United Pipe Lines took place, and 1877 found this company in control of the oil industry through its absorption of the Empire Transportation Company and the Columbia Conduit Company. In 1879 the Tide Water Pipe Company attempted to extend its lines to the seaboard, and in 1881 the National Transit Company was organized, by Standard interests, to convey oil by pipe from the fields to the Atlantic Coast. In 1883 resulting wars with the railroads were terminated by an agreement to divide the traffic between them and the pipe lines. Various independent pipe lines were built subsequently and combined into one system, the Pure Oil Company, in 1900, and this company is now a formidable competitor of the Standard.

The problems presented in oil transportation by rail still remain unsolved. Those arising from pipe-line transportation are, in some respects, similar to the problems of the common carrier, and, in all respects, unique. As auxiliaries to pipe lines, tank steamers, tank cars, and tank wagons are employed,

and these were discussed recently by Commissioners Garfield and Smith in their report on the investigation of the oil industry.

The capacity of a pipe line is strictly limited by the gauge of the pipe. It can only be increased by duplication. This is aggravated by the variable production of oil in the fields. In Colorado it fell from 501,763 barrels in 1904 to 376,238 barrels in 1905, while it rose exceedingly in Louisiana, Texas, Kansas, and Indian Territory in the same period. Notwithstanding this risk, pipe lines have been laid with increasing regularity. Pipe-line charges have been fixed at a figure which will move the traffic rather than at the actual cost of operation over the distance covered. Trunk-line charges are correspondingly larger than the cost of operation in order to avoid a deficit on the entire system, says Mr. Gilbert Holland Montague, in the *Journal of Political Economy* for October.

"The charges which the commissioner makes against the pipe line companies," says he, "are that they refuse to transport oil for others, or to deliver at desired points, or to sell crude oil, or to enforce reasonable regulations as to the quantity of shipment." These, the writer thinks, are untenable, because the pipe lines are not common carriers. The practices complained of, he maintains, are common to all private businesses. The pipe lines do not own the oil which they carry; hence they cannot sell oil. As to their regulations regarding shipment, the writer contends that regulation is clearly necessary

to prevent loss from admixture of different oils in transit through the pipes.

As a whole, the pipe-line situation presents surprisingly few problems. While seemingly a public-service company, it is conducted like a private business. Its importance in the economy of Standard Oil cannot be overestimated. That company's public and private lines aggregate 35,000 miles at a cost of \$50,000,000. The commissioner likens its holdings to one vast system extending from Indian Territory to the Atlantic seaboard, though the lines in and from each field form a distinct group or system. The oldest, the "Appalachian," has five trunk lines running from its fields to New York, Philadelphia, and Baltimore, at tidewater, where there are large refineries, and at Marcus Hook, where crude oil export shipments are made. Another is the "Buckeye-Indiana," which covers the Lima district, where one trunk line extends westward to the company's great refinery at Whiting, and another eastward to Pennsylvania. A third system covers the Illinois fields, and a fourth

the oil regions of Kansas, Oklahoma, and Indian Territory.

For marketing purposes the oil sold in the United States is delivered through tank vessels, tank cars, tank wagons, and tank stations, in bulk, without the use of barrels or other packages and without the jobber's intervention. At the refineries tank vessels or cars receive the oil, and it is redelivered by these to the tank stations, which, in densely populated sections, are situated about fifteen miles apart. The consumer, or dealer, gets it from the latter by means of tank wagons, which hold about five to ten barrels. Retailers greatly prefer this method of delivery to the antiquated fashion of delivery in barrels, which were apt to leak, collect dirt, emit bad odors, and cause damage through fire.

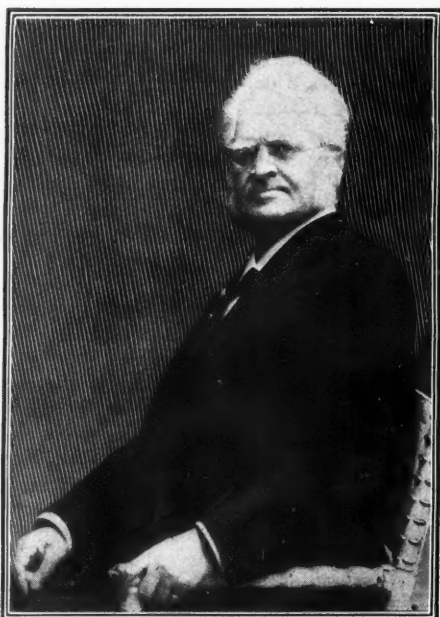
"By reason of being the first to incur the expense of equipping its extensive system of bulk delivery," says he, "and of being the earliest to reach the market, the Standard Oil Company enjoys the natural advantage which always accrues to the first transportation agency in the field."

NORWAY'S "FIGHT OF THE TONGUES."

WHAT happened in Britain a thousand years ago is being virtually repeated in Norway at the present time. The struggle for existence between a half dozen Saxon dialects ended in the establishment of one of the least important as the basis for modern English. The Norwegian people have for ages been divided by a similar contention for supremacy, but it was not until the middle of the last century that the struggle took on forms tending to bring it to the attention of the outside world. The change that led to a sharpening as well as a defining of the conflict came with the attempt of Ivar Aasen to produce linguistic unity in an artificial way by the creation and adoption of a standardized tongue, supposed to represent a compromise between the prevailing dialects.

The fight was supposed to be directed wholly against the sway held by Danish, the accepted literary medium of the country for several centuries, but in reality the issue involved was the very same that preceded the establishment of what is now generally designated as Old English,—in other words, it is a battle of life and death between the dialects of the West Lands (the Atlantic Coast

provinces) and the East Lands (the inland provinces, along the Swedish border and the southern coast). The recent separation of Norway from Sweden seems to have brought matters to a climax. In the same direction have tended some steps taken lately by the Norwegian Government, all of which appear to favor the standardized language of Aasen. This is known as the *Landsmaal*, or "the country tongue," in distinction from the *Rigsmaal*, or "the national tongue," by which name the still dominant literary language is known. So bitter, indeed, has this *Maalstrid*, or "fight of the tongues," become, that Dr. Andr. M. Hansen expresses the fear in *Samtiden* (Christiania), that it may result in the definite establishment of two parallel Norwegian languages. The question has additional interest to the non-Norwegian world because it serves to shed light on the interrelationship between Swedish, Danish, and Norwegian, as well as on the relationship of all the modern Scandinavian languages to Icelandic and Old Norse,—a vexatious problem to those who have not by training acquired the power of distinguishing the comparatively small differences in sound and vocabulary of those



BJÖRNSTJERNE BJÖRNSEN.

(One of the leaders in the Norwegian language fight.)

tongues. In reviewing the history of the struggle, Dr. Hansen says:

There was a time when, according to preserved linguistic specimens, it was impossible to make any clear distinction between several Scandinavian languages or dialects. The "Proto-Norse" of the older runes does not even show a positive separation from the Gothic or the West German. But from this language, known to have existed between 400 and 700 A.D., later progress has carried us so far away that its understanding now requires philological expertness. It became subject, particularly in the years from 700 to 900, to a process of disintegration and regeneration so extraordinarily deep-reaching that the change produced excluded mutual understanding between the stages preceding and succeeding that period. But the resulting Old Norse, which is familiar to us from still existing examples, does not yet show any perceptible division into dialects. And when for the first time,—after 1000,—a tangible distinction appears in the medium of writing, then the line of demarcation does not correspond to the nationalities which had already become established. There are two languages, West Norse and East Norse, while the difference between the tongues spoken in Sweden and Denmark remains hardly noticeable. The characteristically Western Norse, or *Norröne*, language is first known to us as existing in Iceland. Of this Old Norse we begin to get specimens in greater numbers only about the year 1200. And from the very beginning it may be said that the documents originating in eastern Norway show peculiarities which differ wholly

from those of West Norse and Icelandic, but which agree with those of East Norse and old-fashioned Swedish. There can be no doubt that the language of those documents must be classed with what we now call a solidified literary medium, a nationally proclaimed standardized language which to a large extent was determined by the court and the Icelandic court poets, and from which undoubtedly the living dialects had already begun to differ considerably. The differences between the tongues prevailing in western and eastern Norway were no doubt as early as in the fourteenth century,—or before Norway had lost its independence of the other Scandinavian countries,—much more marked than what is made apparent by royal manifestoes and other documents. And in the establishment of these differences the Eastern Norwegian has throughout allied itself to Danish and, still more, to Swedish.

The key to the present situation lies just in that early splitting up of the language spoken within Norway into two groups of widely separated dialects. During the centuries that Norway remained under Danish dominion the medium of the educated classes and of all official intercourse was Danish,—or, to be more correct, it was written Danish, pronounced practically as Swedish. When Norway became joined to Sweden in a personal union only, the revived desire for complete national independence turned toward the language also, demanding that this should be as thoroughly and exclusively Norwegian as the government. Undoubtedly the most suitable and most widely spread dialect of the many existing from the capital up to North Cape would have been selected as basis for a new national tongue had it not been for the unbridgeable division pointed out by Dr. Hansen. He shows in his article that eastern Norwegian dialects are much more closely related to the present "national tongue," and through this to Danish and Swedish, than to the *Landsmaal*, or the Western Norwegian dialects. And from the latter Aasen drew most of the elements he used to build up his standardized "country tongue."

Were it not for the evident inclination of the present Norwegian Government to favor the *Landsmaal* by making the knowledge of it obligatory in academic examinations and by other steps of similar nature, the matter might be said to stand just where it stood fifty years ago. During these fifty years, which have seen Norwegian literature rise to universal importance, linguistic chaos has reigned in that literature,—so much so that at times it has seemed as if every Norwegian writer had worked out a language all his own. Ibsen, the greatest of them all, ad-

hered throughout to the written Danish. Bjørnsen has modified this, but has refused to accept the *Landsmaal*. His example has been followed by all but a very few of the authors whose reputation has spread beyond the borders of their native country. The weightiest among those who have used a dialect is Arne Garborg, and he has chosen to employ one wholly different from the

standardized tongue of Aasen. With the recent actions of the government, the situation may be said to have passed into a new stage, however, and there are those who assert with seeming good reason that Norway has already become burdened with two parallel and equally recognized languages, neither one of which shows any sign of decline or of surrender to the other one.

FASCINATING EGYPT, OLD AND NEW.

TO the average modern mind Egypt has seemed for so long a place like Venice, picturesque, interesting to tourists and artists, but entirely past taking any active part in the industrial life of the world, that it is interesting to find some one who treats of this historic land from a purely commercial and practical standpoint. M. Pierre de Boisseu has written a book on the development of Egypt in recent years (the account is taken from a review of the book in *Italia Moderna*) which makes one wonder if the ancient fame of Egypt for marvelous fertility of soil may not be earned afresh in the twentieth century.

The changes which have taken place in this land of immovable and fixed tradition are certainly of deep significance. First, the Nile, which has so capriciously done its share in enriching the soil, is now harnessed by the great engineering feats of Assouan and Syout and the overflow is under definite control. This, together with a modern system of irrigation, increases the crops and the value of the land a hundredfold, not metaphorically but in hard figures. More than this, numerous schemes for more extended irrigation, now in course of realization and soon to be begun, will distribute water to regions which are known to have very fertile soil, but which, owing to the total absence of moisture, have never produced crops. This land will be as virgin to cultivation as our own Western prairies in the days of the fabulous crops of the early settlers in Iowa and Kansas.

The cultivation of cotton is the principal industry of Egypt. The production of this staple has tripled in the last thirty years, and now occupies a territory of 525,000 hectares, or one-quarter of the entire agricultural territory of the country. As to amount produced, Egypt now ranks third in the countries of the world, coming after the United States and British India. There is a great future for the weaving of cotton into fabrics in Egypt, as almost none

of this is now done in the country where it is produced. After the most elementary processes of ginning and baling it is, almost without exception, all exported. Secondary crops, such as cereals of all kinds, rice, maize, lentils, etc., are alternated with the cotton crops so as not to exhaust the land. These crops are produced in great abundance, the fertility of the soil being such that these pay for all the costs of cultivation both of cotton and themselves, so that the great profit from cotton growing is reckoned as clear gain. Cultivation of cane sugar is another important industry. Great quantities are grown with ease, and contrary to the custom of exporting cotton in a crude state, there has been a definite attempt to complete all the processes of sugar-refining before exporting the product. This industry has received an unfortunate check from the failure of a large sugar company, but it is expected to recover easily from this and add greatly to the riches of the country.

All this industrial activity has created a system of modern banking which has been highly successful and is entirely new in this immeasurably old Oriental country. Business companies, with modern organization, have multiplied also. In the period between 1856 to 1899 there were seventy-four of these companies incorporated, with a capital of \$299,650, while in the five years between 1900 and 1905 eighty-four companies were incorporated, with a capital of \$4,080,420. All this reads singularly like the sudden development of a country which has been unknown till a recent date, and the consideration of the fact that this sweeping advance in material prosperity comes to a country which has been occupied by man, and civilized man, longer than any other country now an entity, makes the cautious reader wonder if this seeming inflation of values can be either healthy or permanent. M. Boisseu answers this question by quoting from Lord Cromer to the effect that although the fertility of Egypt has been from all times proverbial, it is literally only within the last quarter of a century that nature has received

seconding from man intelligent and competent enough to show the amazing fecundity of the soil. Hence has come the sudden rise in values and in general prosperity which seems so great a surprise to the rest of the world, used to thinking of Egypt as a worn-out piece of antiquity. It is, however, all based on a solid foundation of exceptionally favorable climatic and agricultural conditions.

Personality of the Khedive Abbas Hilmi.

While no mention is made of English rule as the direct cause for this awakening of an old country sunk in torpor for centuries, no observer of modern affairs can doubt that it is wholly due to English administration of Egyptian affairs and to the genius of Lord Cromer. Indeed, so complete and unquestioned a success has been the English occupation that the nominal ruler of Egypt, the native Khedive, is all but forgotten. *La Revue* of recent date prints an article on the personality and private life of the present Khedive which is interesting in itself and as calling to mind a sovereign in an even more anomalous position than most modern so-called "rulers." He is the legitimate ruler of Egypt, whose claim has never been disputed (on the contrary upheld consistently) by the English, and yet he has absolutely no power in his own land. He is a young man, who is described as having a very agreeable personality, medium stature, brown hair, golden-brown moustache, a very fresh complexion, and beautiful eyes. He was educated in Switzerland and Vienna, and is in most ways a complete European in his tastes. He speaks five languages with ease and is a great reader, preferring scientific works to *belles lettres*. He is passionately devoted to his country, and devotes a great deal of study to modern and scientific methods of agriculture and to their adaptation to the needs of Egypt. He himself owns large tracts of land, in whose administration he takes an intelligent interest, and which are managed to great advantage.

When he came of age he wished to marry a Turkish princess, but this was opposed by Egyptian statesmen, who feared the effect of a foreign wife. They gave him instead a beautiful Circassian slave, Icbaal by name. She is a tall, beautiful, intelligent woman, and the young Khedive fell seriously in love with her. Great was the dismay of his counsellors when he insisted that he wished to marry her, but in spite of their protests

he did so, carrying his European ideas so far that she is his only wife and their children his only heirs. Icbaal is as charming and sprightly as she is beautiful, and has profited by the good instruction she has received since her elevation to her lofty position, and now speaks the European languages fluently and is a fit consort for her civilized and modern husband.

Abbas Hilmi endures the yoke of English supremacy in his country with a very recalcitrant resignation. He feels his helplessness acutely and bitterly, and has never been willing to keep up relations with British officials as cordially, friendly and amiable as they would like. He feels, however, that there is nothing for him to do except to abdicate if he does not accept silently his present rôle as figure-head. He does this with no open revolt, but he never ceases to hope that something may turn up to engage the attention of the English elsewhere. In the meantime, when he suffers too much from what he considers his false position he betakes himself to Constantinople; leaves his wife and children in a beautiful palace given him by the Sultan, and goes forth incognito to amuse himself in Europe. Young, healthy, happy in his home life, wholly without care and free to travel when and where he will, he has many advantages over some hard-worked, anxious modern monarchs.

What Ancient Egyptian Monarchs Looked Like.

As far as Abbas Hilmi's resentment at the usurpation of power by foreigners goes, he has not a logical leg to stand on, since his own ancestors did exactly the same thing to the native Egyptians, and since the same thing has taken place from time immemorial. In connection with the seizure of Egypt by Alexander the Great and the rule of the Ptolemies, some very interesting discoveries have been made of late, which are reported and described in *Hojas Selectas* (Barcelona) under the title "Funeral Portraits of the Ptolemies." The article is well illustrated with reproductions of some of these marvelous examples of ancient realism in art which bring the far-away people of that ancient period very close to us. The origin of these portraits may be briefly stated as coming from the invasion of Greek ideas into Egypt with the new rulers. From time immemorial the Egyptians have preserved, from religious motives, the bodies of their dead, placing on the outside of the mummy-case a conven-



Ptolemy Philadelphos.
(284-246 B. C.)

Ptolemy Philometor.
(164-145 B. C.)

The Famous Queen Cleopatra.
(51-30 B. C.)

ANCIENT EGYPTIAN MONARCHS AS PICTURED IN NEWLY DISCOVERED TOMBS.

tional mask, built up with a mixture of sand, plaster of Paris, and lime. The Ptolemies and the Græco-Egyptians who followed them, bringing in the artistic traditions of Greece, changed this mask to a real portrait done from life in encaustic or distemper, and executed with a high degree of technical skill and realism. There were several methods of painting in encaustic, but in general it can be described as the use of colored wax laid on over a wooden base while the wax was hot and liquid. This afterwards hardened to an enamel-like surface, which has preserved the portraits perfectly. There were many mixtures devised to make the wax stay liquid as long as possible, so as to obviate the necessity of an excessively rapid execution. Beeswax was boiled in sea-water until a sort of emulsion was obtained, turpentine was introduced, etc., but the general process remained the same. In the Portrait of Cleopatra Iryfena (I.) 58 B.C., there is no attempt at prettification, and the worn face of a woman, probably sickly, and certainly old before her time, is presented with a ruthless truthfulness. The portrait of the celebrated Cleopatra (II.) shows to what a high degree of perfection the technique of this forgotten art was carried. The author calls attention to the marked Semitic cast of countenance of the great queen. The head of Ptolemy Philadelphos (III.) (284-246

B.C.) is done in the same manner and shows a face of dark beauty and great nobility. Painting in distemper (water-colors to which some agglutinative substance like the whites of eggs had been added), so common among early European painters, is also much used, and the spirited likeness of the great Ptolemy Soter (IV.) was done in this medium. It will be remembered that he was the great statesman who advanced the commerce of Egypt in a marked degree and who introduced coined money into that country, this medium of commerce having been totally unknown to the ancient Egyptians.

The perfection with which the individuality of the models has been preserved by these forgotten portrait painters is shown by the contrast between the refined, almost effeminate, head of Ptolemy Philometor (V.) (164-145 B.C.) and the bull-like strength of Perseus (VI.) (179-168 B.C.).

Several theories have been advanced since the discovery of these portraits as to the way in which they were painted,—i. e., whether from the face after death or from the subject in life. The generally accepted theory now is that they were painted very much as our modern portraits are, for house decoration in the first place, and then used after the death of the individual on his mummy-case for identification when the wandering soul returned to the body.

THE GROWTH OF GERMAN TRADES-UNIONISM.

IN a recent official report concerning general labor organizations in the United States it is shown that the American Federation of Labor has an aggregate membership of 2,000,000, embracing about 27,000 local unions, between 500 and 600 city central unions, and thirty-seven State branches. The above figures represent, approximately, the strength of the leading labor organization in the United States, grouped in 120 or more national and international unions. The Federation administration consists of a president, secretary, treasurer, and eight vice-presidents. The affiliated unions publish over 250 newspapers. Nearly 1000 permanent organizers of labor unions are employed under Federation orders. Contrast these figures with those of German organized labor.

According to Doctor Bernstein, in the current *Contemporary Review*, the Federation of Labor in Germany has an aggregate trade-union membership of more than 2,300,000 in 149 unions. One of these unions, that of the German metalworkers, has a membership of 372,000, "the largest membership," says the writer, "of any trade-union in the world."

The comparisons of this writer between trades-unionism in Germany and other European countries make a very significant showing. Quoting the report of the English Amalgamated Society of Engineers, he points out that that organization, established fifty-six years, has only 110,000 members, while the German Metalworkers' Union, having similar interests, and founded only seventeen years ago, has a membership more than three times as large, including 150,000 belonging to engineering occupations proper. He then goes on to say:

As far as the number of organized workers is concerned, it is not in one trade only that British trades-unionism has ceased to lead the international movement of wage-earners. On the contrary, in almost all trades it has been distanced by the German unions, which, against the 1,900,000 organized workers of Great Britain, can to-day show an army of no less than 2,300,000 members in all. Numbers alone say little as yet of the effective force of a movement; but even the growth in numbers of German trade-unionists must strike the observer as an extraordinary phenomenon in the social life of our times, well worth a closer examination.

Not that Germany can boast of having the largest percentage of workers organized in trade-unions. Statisticians of the labor

movement know that in this respect little Denmark leads the way.

In Germany the proportional number of organized workers is now about 30 per cent. of the workers occupied in trade and commerce, and for the United Kingdom it will even be somewhat smaller, while in Denmark it exceeds 50 per cent. Next to Denmark comes Sweden to-day with a similar percentage. But the two Scandinavian countries are still in the main agrarian, their industries are of comparatively recent date and occupy on the whole only a few hundred thousand workers. Consequently, their trade movements, so interesting in themselves, and well worth studying, represent in the army of the organized workers of the world only minor forces.

Evidently included in the grand total of 2,300,000 are a number of minor or less radical organizations, all of these varieties of trade-union. Among them are the Christian (Catholic) trade-unions, the trade societies of the Max Hirsch type, some independent or nondescript unions, several local unions, "and, quite recently, the patriotic workingmen's societies, or yellow trade-unions, as they are called by their opponents."

One class of peculiarly German semi-labor organizations, having no real equivalent in any other country where the labor-union idea is practical, is the "patriotic class." They are organized by the well-known Imperial League for Combating Social Democracy,—a political society, as its name indicates.

This league is led by an ex-officer of the German army, General von Liebert, and is repudiated by many strong opponents of Social Democracy because of its repulsive methods of action. The workingmen's societies organized by it have for their avowed object to oppose frivolous strikes and to fight for genuine freedom of combination, *i. e.*, for the freedom not to join the great representative trade-unions. In short, they may be regarded as the German counterpart of the British free-laborers' unions, and their action in case of conflicts will be to provide employers, as far as possible, with non-strikers, otherwise blacklegs. Their numerical strength is a mystery to outsiders, but even according to their own declarations it is below 10,000. Their committee is rather an agency for non-unionists than an elected representation of genuine, though small and heterodox, trade-unions. It is disavowed by all the other unions, Socialists or non-Socialists alike.

Politics appears to enter largely into German labor affairs. A strong political complexion was for a long time conspicuous in the "Max Hirsch" trade-unions, organizations nearly fifty years old. They were

founded in opposition to the unions then organized by Socialists, and aimed to promote harmony between employers and employees. In spite of considerable protection on the part of some leaders of the then powerful Liberal party and of their press, they failed to secure widespread support. Employers, as a rule, and the mass of the workers, are not in sympathy with the Hirsch idea. They consist to-day altogether of twenty-one societies, with a total membership of about 120,000.

Religion, too, enters into German labor organization, an unthinkable element in Great Britain or the United States.

A larger force than the Hirsch unions are the Christian trade-unions. In all they count at present in twenty-five unions about 350,000 members. Of these, nineteen unions with 260,000 members were, at the end of 1906, united in a general federation of Christian trade-unions, while seven Christian unions with 75,000 members proceed on independent lines. The latter are practically mere benefit societies; of the former several show some fighting spirit, but they, too, repudiate the Socialist class-war theory. The largest of the Christian trade-

unions is the Christian (Catholic) Miners' Union.

Doctor Bernstein follows his statement regarding the strength and attitude of German trade-unions by a review of events leading up to present conditions. He also gives historical and other details of several prominent societies. Regarding trade disputes and the famous "fighting quality" of centralized German unions, as shown in results, he remarks:

In 1904,—the last year for which comprehensive figures for Great Britain are accessible,—the 100 principal British unions paid away £126,445 in dispute benefits, the centralized German unions, with numbers one-tenth less, paid the equivalent of £285,711 under the same head, to which must be added £26,800 paid to victimized members, an item always many times higher in Germany than in Great Britain. In 1906 these two items had risen to £687,420 and £39,760, respectively. In 1904 Great Britain had, according to the report of the board of trade, a total of 354 strikes; in Germany imperial statistics show for the same year a total of 1876 trade disputes. The German figure for 1905 is 2257, and the figure for 1906 will most probably be still higher.

THE WORLD RENASCENCE OF MOHAMMEDANISM.

FOR many centuries the only representatives of the Mohammedan creed to be found in the west had come there as conquerors. While Christians lived among the Mussulmans, the latter seldom or never dwelt in the lands of the Christians. Of late years, however, a change has been coming about. An article in a recent number of the *Hollandsche Revue* supplies some interesting information on this subject. Says the writer:

Not only do numerous Mohammedans settle at present in the Christian west, but Islamism as a cult is gaining adherents there. The Mohammedans are gradually losing their fear for the Diaspora, the dispersion. In past centuries, indeed, numbers of individual Mohammedans were transported to Christian countries, but then they went by compulsion, and by way of punishment for some uprising against their rulers. Thus, in the sixteenth century, the Dutch carried some thousands of Mohammedan Malays to the Cape, where their descendants still live and still adhere firmly to their faith, though they have lost their native Malay language. In like manner the rulers of Poland, in the same century, brought many Tartar Mussulmans to Lithuania, who also have remained true to Islam, though in language and many customs they have become genuine Poles.

The voluntary dispersion of Mohammed-

ans is a phase of modern days. Not only do the followers of the Prophet come to the west for a temporary stay, in order, as students at the great centers of civilization, to acquire knowledge and to employ this in their fatherland for their personal and national benefit; but Mohammedans of more advanced age in increasing numbers establish themselves in the west. Hundreds of their students attend the higher institutions of learning in England and the United States. In Vienna many Bosnian Mohammedan students are found in the colleges; and among the Russian students of both sexes the Tartar element is strongly represented. The greatest number of these dispersed adherents of Islam are found in Russia, where nearly every large city contains a mosque, or at least a congregation. A mosque is being built for them now at St. Petersburg. These are for the most part of the poorer class, who make their living as small tradesmen or in some subordinate employment. They frequently secure positions for which trustworthy men are required, and in the entourage of the Czar are found a considerable number of Mohammedan servants.

In the past years Islamism has had in

Germany a very energetic champion, one who is a full-blooded German, with the sonorous title of the Rhinelander Mohammed Adil Schmitz du Monlin.

After a residence of twenty years in the east, where he was engaged as civil engineer at Palembang on Sumatra, during the development of the petroleum region in that section, where he accepted Islamism and married a Mohammedan woman, he returned to his native land, and now resides with his family at Egers on the Rhine. Schmitz du Monlin is strenuously endeavoring to win adherents to his new-found faith, but in doing so is often violently partisan in tone. He looks upon the so-called Christian world, with its eager pursuit of wealth, station, and luxury, as having fallen back into heathenism, and regards himself and his fellow-religionists as better followers of the Christ than they. It may not be generally known that Helene Böhlau, the writer on feminism in Munich, was married to a Mohammedan according to the Moslem rite, and has adopted the faith of her husband, Omar al Raschid Bey. In Heidelberg an Egyptian is on the staff of the medical faculty of the university. In Munich another Egyptian Moslem was assistant to Professor Schösser, the oculist, but has now returned to Cairo and practices his profession there. From India many Mohammedans have established themselves in England; Liverpool and London have mosques of considerable size. The one at the East End of London has been found too small, and is being enlarged.

In England the Mohammedans have also established several useful institutions for the people of their faith,—schools, children's homes, and benevolent societies. Periodicals are also published there devoted to the Moslem propaganda. The "Panislam Society" has for its object the material and moral advancement of Mohammedans in the western world, combats erroneous views regarding them, removes misconceptions, renders assistance where needed, and promotes their interests in every direction. The soul of this society at present is the Hindu Mohammed Abdullah al Mamum Schrawardy, born at Dakka, near Calcutta, and barrister-at-law in London. He is only twenty-seven years old, but has already written and published many articles advocating the cause of Islam, *e. g.*, "Sayings of Mahommed," "First Steps in Moslem Jurisprudence," "First Steps in Moslem Theology," "Shakespeare and Oriental Literature," etc.

Among Englishmen converted to Islamism we name here Lord Stanley of Alderney, whose Moslem name is Abdul Rahman, one of the earliest proselytes, a member of the House of Lords, and who died December 10, 1903, at the age of seventy-seven. In his younger years he was attaché to the Embassy at Constantinople. Next there were Lemesurier, for many years a lawyer in Ceylon; Gehnia el Nasr Parkinson, a Scot,

who has glorified Islamism in verse, several educated ladies, like the violiniste, Miss Delbaste, a Canadian; the painter, Mrs. Louise A. Chiffner; and, last, but not least, Ahmed Quilliam Bey, the Turkish Consul at Liverpool. He is the head of the Mohammedan congregations in England, Sheikh-ul-Islam of the British Isles, and bears the title of Effendi. He is also the editor of the *Crescent*, a weekly, and of the monthly, the *Islamic World*. In the United States also the number of Mohammedans is growing both by immigration and by conversion. The head of the cult there is Mohammed Alexander Russell Webb, at one time United States Consul at Manila. Since his adoption of Islamism he is said to reside in New Jersey, where he devotes all his powers to the propagation of his new faith.

Modern Intellectual Tendencies of the Mussulmans.

Contrary to the opinion of the Arab-haters, who consider the Mussulman a dormant being, devoid of intellectual interests, the Mohammedan has marked literary tastes and philosophical tendencies.

The people of the east have never gone beyond the conditions of childhood, and the book of Life, Science, and Literature reads to them like their fairy tales.

The contemplative life of the Mussulman tends naturally to mental work. The students of the schools, sons of Djerbian grocers and embroiderers or Tunisian slipper-makers, learn to read and to calculate with an ardor promising well for the Mussulman's future. When Si-Kir-Clak, president of the Association of Lettered Mussulmans, founded the Grand Kontab, before the first twenty-four hours were over 169 pupils knocked at its doors, and shortly after it registered 250 students. It is absurd to say that the Mussulman is "half asleep." A man who is half asleep does not sit down for the purpose of thinking; if he sits down to think he is awake and he knows what he is doing.

In Arabia everything predisposes to intellectual labor, the thoughtful temperament, the national inclination to avoidance of physical fatigue, the immobility so natural to the Oriental and so necessary to the man before the desk, the eager imagination,—all that has been there from the beginning to prepare the way for the reception of the science of this age. "Henceforth the man of the east is to find something more necessary to the Arabian evolution than all the keys of the palaces of Golconda."

It may be added that the number of Mohammedans is increasing also in Australia. Whether the Mohammedan plant will flourish in western soil the future will show; but its present place is at least worthy of note by all the world from a psychological point of view.

RAILROAD CONTROL IN MEXICO.

WHILE actual government ownership of railroads does not exist directly in Mexico, that country controls her transportation system absolutely. Now this is to be extended so that the national government will become the majority stockholder of a great securities corporation, which, in turn, will control, either directly or indirectly, existing companies now having more than two-thirds of the entire railroad mileage in Mexico. These railroads will continue, after this project has been effected, to be privately managed, for operation is not part of the government's plan.

To be the controlling owner of her railroad system is Mexico's purpose, and to do this the railroad corporation must continue to perform its functions,—with the government, presumably in the interests of the people, holding the voting power in order to bar outside "systems," like the Harrimans, Fricks, Rockefellerers and Morgans. Hence it can dictate the policy of the railroads and the conduct of their officials. This system of control was first asserted a little over seven years ago, through the establishment of a railroad commission to regulate railroad rates.

For more than three years the government has held more than 48 per cent. of the total stock of the National Railroad Company of Mexico. This was acquired to prevent an absorption of the railroad mentioned by the Mexico Central Railway Company, Ltd., then the dominant system. Soon the government will acquire a majority interest in a \$230,000,000 stock corporation to control the two great and commanding railroad systems of the country. Since the government acquired its stock in the National it has not found it necessary to interfere in the management of the company, owing to the efficient control of the commission. Railroad officials in Mexico are not alarmed or distressed by government control, like their brothers in the United States. Indeed, Mexican railroad managers complain because the commission refuses to sanction low rates at times!

In the last twenty years, virtually, Mexico's railroad system has been built, and to-day embraces 10,840 miles. Under the wise guidance of President Diaz it has been wonderfully developed. To-day, in Mexico, capital is not afraid to embark in railroad development, because the government is there to protect the carrier from unjust public ag-

gression and from foolish managerial action alike.

Mexico is the living argument for governmental ownership. Largely through governmental assistance, such as subsidies and exemptions from taxation, according to Mr. Samuel H. Barker, in the *Van Norden Magazine* for October, has Mexican railroad development been attained. In 1864, the government gave \$560,000 to the Mexican Railway Company, Ltd., and guaranteed a like payment annually. In addition, it was stipulated that no other railroad should be subsidized for sixty-five years between Vera Cruz and the City of Mexico. In 1889, the Mexican Railway was given a concession for ninety-nine years for extension purposes. At the expiration of this term, the government may purchase the line at a price to be determined by experts. On the expiration of their charters, other railroads will pass over to the government, some of them free of charge.

Under a plan carried out in 1903, the government acquired \$29,972,700 worth of the \$62,182,925 capital stock of the National Railway Company of Mexico, which controls a system of 3368 miles. This is one-third of all the railroad mileage in Mexico. By its interest in the Mexican Central Railroad, 3356 miles, the government will be able to elect a Board of Directors for two-thirds of the entire railroad mileage in the country. Minister of Finance Limantour greatly assisted in securing the consent of the Mexican Congress to this plan of government control.

"Three chief objects," says this writer, "are sought to be accomplished by the Diaz government. First and foremost the purpose is to keep the Mexican railroads national by preventing them from falling into the grasp of powerful railroad interests in the United States. Next, it is thought desirable to bring the two great railroad systems of Mexico together so as to avoid all friction between them because of the peculiar ownership connection of the government with one but not the other. Third, it is believed that through consolidation considerable economies in operation and improvements in traffic arrangements can be effected, with a corresponding reduction in the cost and waste of transportation." Besides the systems to be consolidated there are only four railroads in Mexico with more than 200 miles of line.

While there is one general railroad law in Mexico each company exists under a special

concession from the national government, binding both parties to certain undertakings. In this concession the maximum rates are mentioned, and these remain during the life of the concession. These are not always the same, but vary according to circumstances, location and resources. While these rates can never be raised, the commission has power to reduce them in the interests of the people. This body consists of five government members, two representatives from the Board of Trade, and two from the railroads. The latter four have no vote. Hearings are held once a week in the city of Mexico, and the report of the commission is promulgated by the Department of Communications and Public Works. The commission is endowed with power to determine the reasonableness of a rate. It passes on rates before they are

promulgated and its veto power is absolute. Without its sanction no rate can be enforced.

Once a rate is established it can only be changed by the commission after the railroads have satisfied that body that an alteration is beneficial to the shipper, to the public, to the government, to the soliciting railroad, and to all other railroads likely to be affected. Pooling agreements are legal in Mexico, and railroads may own and operate coal and oil properties. In maintenance, construction and operation Mexican railways compare favorably with our own, although not of the high standards in the United States. Comprehensively summed up, Mexico is not afraid of government rate regulation, and is even ready to assume a general proprietary interest in her railroad system.

RELIGIOUS PHILOSOPHY OF THE GERMAN KAISER.

THOSE who think that in the variously talented German Emperor a theologian has been lost to the world will find a corroboration of their opinion in the speech which the Emperor delivered at Münster, a short while ago. This address proves, in fact, in much the same way as the correspondence between the Emperor and Admiral Hollmann over the Tower of Babel and the Bible, that Emperor William II. has a strong inclination toward piety, which we also find as a characteristic trait in his grandfather, and even in a man like Bismarck. The present Emperor meditates profoundly and with apparent interest on all the intellectual problems of piety. A writer in the *Kölnische Zeitung* says:

Every theologian will undoubtedly discern without difficulty that it is Harnack's theology which shines forth in the most notable sentences of the imperial speech at Münster. The influence exerted by the original, fascinating personality of the great church historian on Emperor William manifests itself here publicly for the first time. When the speaker, for example, sets forth in unmistakable words the religion that he wishes to see observed, as against the rigorous church dogma, this is certainly in line with the evolution of religion, which liberal idea the Emperor at one time asserted at Breslau, but it is utterly irreconcilable with the doctrine of the two revelations as propounded in his letter to Hollmann. Now he has dropped one revelation, which the Emperor would not give up at that time, the one in regard to the history of salvation, which taught a gradual preparation, from the times of Paradise on, of the salvation of humanity through Christ, and

which is a fundamental part of the Christian doctrine. Harnack, the historian, may with a smile have made his imperial listener aware of the naiveness in such a construction of history.

The Münster speech, furthermore, discloses the fact that the professor has also transmitted to the Emperor another conception of Christ than the one in accord with the traditional dogma:

Not that the central figure of the Christian religion is in this view a mere man like every other man who had wandered about among the rest of us on the surface of this earth, where we all dwell with our defects. In that category Jesus of Nazareth is placed by the left party among the theologians, to which Harnack, however, does not belong. He rather takes, as a follower of the famous Ritschl, an intermediate position, and sees in Christ a man whose existence on earth is firmly fixed in the frame of historical events, and who was born and died in a natural manner. But this man has, through his religious soul, maintained a peculiar relation to God, and has proved this relationship by a life full of unparalleled manifestations which are presented to us in the New Testament. Through these manifestations, the religious value whereof can never become out of date, he exerts a prefigurative and, at the same time, liberating influence on all persons who willingly submit to it. Such, in substance, is Harnack's theology. As we see, it lets the objective facts of salvation, as set forth in the dogma, fall, and makes religion purely an affair of the soul of the individual human being. The soul as the religious organ of man is, for this reason, set in the center of the religious expositions in the Emperor's speech.

No one will close his eyes to the spiritual and moral sublimity of this religion, into which the Emperor's piety has developed under the in-

fluence of Harnack's theology. But this subjective form of religion, with all the great benefits it confers on its adherents, has not yet,—it must be reluctantly admitted,—proved to be a means of uniting and reconciling humanity.

Without commenting further on the above

statements, we reproduce them here, since they will, in all likelihood, be the cause of a continued discourse in the German press, and also for the reason that they offer a significant contribution to a characterization of Emperor William II.

A NEW PLAN FOR STATE CONTROL OF THE LIQUOR BUSINESS.

DESPITE the efforts of the press, the pulpit, the Sunday school and the State, intemperance still remains one of our sorest evils. Fifty years have shown us the weakness of either license or prohibition to bring about adequate control of the liquor business. Accordingly, the Rev. Justus Newton Brown, in the October *Bibliotheca Sacra*, unfolds a plan for State control which, he claims, is an embodiment of the strength of all earlier attempts at liquor regulation in conjunction with certain economic suggestions that are decidedly novel and original.

License, high or low, is a failure. It has led to some improvement in order on the streets, and, perhaps, to less drinking than there would have been without its restrictions, but it has altogether failed to diminish the amount of drinking indulged in by the people. It has also not succeeded in making the liquor interests pay their part of the State's burdens through taxation, for, in the final analysis, it is the wife and children of the drunkard who pay the saloon-keeper and eventually the State. The license fees paid by the liquor dealers constitute a bribe for the public's consent to the existence of a traffic that ruins men. This makes the State a partner in the business, tending to make it respectable by its great influence.

Large profits induce capitalists to invest millions in developing and protecting this business; to corrupt legislatures, juries and courts; and to decide elections and control the policy of the Government. The one lesson deducible from this experience is that the only way to solve the liquor problem is to take the financial profit out of the liquor business. So long as the business is profitable men will engage in it, and do what they can to build it up.

Norway furnishes an illustration of a liquor-selling monopoly, organized by public-spirited citizens to restrict and not to increase the business. Interest on capital invested is limited to 5 per cent.; and all ac-

counts are subject to municipal scrutiny. All further profits are devoted to purposes publicly useful,—especially such as counteract the drink evil. There are no tables or chairs in the saloons, but merely counters and small glasses, graduated like an apothecary's for the exact dose. No encouragement for conviviality, no credit, no loafing, no disorderly conduct, are deterrents against excessive drinking. Saloons open from 8 to 12 forenoon, and 1.30 to 7 in the afternoon. In fourteen years this system reduced the drinking of distilled spirits *per capita* one-half.

As a policy of State control, the writer approves Norway's plan, although he frankly admits the impossibility of establishing anywhere in this country a "monopoly" of the liquor business. The "dispensary" system of South Carolina is warmly commended as an available agency by which the State can rid itself of saloons by taking the liquor traffic wholly into its own hands. Prohibition is not practicable, owing to the difficulty of enforcement. Kansas, Iowa, and Maine all reveal its loopholes. Moreover, for violations of prohibitory laws, only the seller is punished, while the purchaser goes free. This the writer considers unjust and unfair.

Local option, or prohibition by counties, cities or towns, is easier adopted and maintained than a State-wide prohibitory law. But its weakness lies in the fact that when people have banished the saloon from their midst they have no protection from the saloons in the neighboring town or city. It seems more effective in determining *where liquor shall be bought than how much liquor shall be drunk*. It is merely a station on the road to something better.

Hence, the writer submits, in three propositions, a new plan for State control, as follows:

First: That the State should abolish all liquor saloons within its borders, and prohibit all manufacture and sale of intoxicating liquor by private parties, including druggists,

making just compensation to any persons who may be injured by this change in its policy; and should prohibit the purchase of intoxicating liquor from private parties.

Second: That, in the interest of temperance, the State should take the whole liquor business into its own hands; and that it should manufacture pure liquor, and sell it,—so far as, in its judgment, liquor ought to be manufactured and sold,—substantially at cost, through carefully selected agents, who should have no financial interest in their sales, and who should be under bonds to keep the law.

Third: That the State should provide, by a general law, such minimum of regulation, restriction and prohibition of its own sales of liquor as, in its judgment, may wisely be applied in all places within its borders; and should authorize counties, towns, cities, and wards of cities to add thereto any further regulation, restriction and prohibition which they might deem wise.

This plan appears to him to possess the following advantages:

First: It is adapted to States and communities in every condition and belief and practice.

Second: It would tend to educate the people of every community in temperance.

Third: It would provide laws that can be enforced everywhere.

Fourth: It would take the financial profit out of the liquor business.

Fifth: It would abolish the liquor saloon.

The State, he contends, can better afford to compensate those who may be injured by this radical change in its policy than to have them continue in their present business. By employing agents "under bonds" with "no financial interests in their sales," the law would be respected and excessive selling restrained. By selling "substantially at cost," the State would be acting solely for the public good, and in the interest of temperance; and, moreover, by this means unlawful selling could be suppressed more effectually. The large profit is the inducement to sell liquor; by reducing the price the State would remove this temptation.

MODERN "ILLUMINATI" AND THE CRISIS IN RELIGIOUS THOUGHT.

"ANY ONE who has followed the movement of religious thought during the past fifty years," writes M. Goblet d'Alviella, in the *Revue de Belgique* (Brussels), "cannot have failed to note that a great change has taken place in men's attitude toward religion.

I do not refer to the reaction which has thrown the ruling orders, in their fear of Socialism, into the arms of intrinsically conservative institutions, but to the position which men of enlightenment, litterateurs, savants, sociologists, and often political men, have taken up as regards religion and its value to mankind.

According to M. d'Alviella, there has succeeded to the disdain which marked the opening of the nineteenth century with regard to all things religious, a mixture of toleration, of curiosity and of respect for the sincere and spontaneous manifestations of the religious instinct. Moreover, there is evident an inclination on the part of all reflective men to trace religion to its vital sources, and to so organize its effects as to make it as fruitful as possible. Far from thinking that ours is an age of atheistical indifference, M. d'Alviella declares it to be his conviction,

from long observation, that men are ceasing to look upon religions as artificial and arbitrary creations, and are beginning to regard them as having their source in the deepest strata of human nature, holding that they constitute an indispensable influence in social evolution. The United States alone has shown with what rapidity and excellent results the churches can transform themselves into instruments of humanitarian reform, leaving aside all theological divergences that may characterize them.

M. d'Alviella proceeds then to point the moral of his convictions, by referring to the investigation made this year by the *Mercure de France* among the *illuminati* of the world, as to the part religion played in their minds. Men of all classes and nationalities were asked to give their views. To mention but a few of the expressions of opinion furnished by 141 well-known men, we find François Copée declaring that his attitude toward religion is contained in the word "credo"; Dr. Kuyper, the well-known Dutch minister, asserts that though the moment is unfavorable to the development of religious

receptivity, nevertheless we are on the eve of a religious revival which will surpass in intensity the religious receptivity of the past. Siegfried Wagner holds that the truth of the Gospel is eternal; M. William Gohier declares that religion cannot disappear, but that it must follow a course of evolution which will tend to laicize it in men's minds.

Mr. Maxim Gorky, in answer to the inquiry of the *Mercure*, has the following remarks to make, showing that his views differ from those of other literary men:

The dissolution of the idea of a God appears to me to be inevitable as much among the enlightened classes as among the masses. I believe that the formation of a new psychological type is now in process. In order that this being may attain a proper development, a free and broad commerce is essential between men. Socialism alone can realize this problem. The religious sentiment, as I conceive it, must then exist and develop, rendering man perfect as it evolves.

With somewhat similar sentiments, M. Novicoff, the Russian sociologist, declares that religions are falling into certain dissolution; Signor Fogazzaro asserts that we are traveling toward a religious conception in which dogma will hold a very large place, but in which the relations between human intelligence and dogma will be the relations of a living faith, transcending formulas and finding its sphere in good works; Father Tyrrel, the Jesuit who has recently been suspended by the Vatican from his clerical functions, holds that "notwithstanding the dissolution of many religious institutions required by the growth of a religious sentiment possessing far more religion and depth than we have yet known, we are rapidly traveling toward a revival of the religious idea"; M. Flammarion, the French astronomer, epigrammatically tells us that "religion and

religions are entirely different things, the former will remain in man's breast for all time, the latter will perish"; Sir Charles Dilke holds that religion is a matter that is independent of churches; Paul Sabatier declares that, far from going into godlessness, we are on the eve of a glorious revival; Mr. H. G. Wells thinks that the religious idea and the religious sentiment are an integral part of the moral and intellectual process of humanity; Mr. Havelock-Ellis declares that churches have only a temporary existence, but that religion is an element of human nature almost as potent as the sexual instinct; Charles Wagner asserts it to be his belief that the true religion has yet to come, but that it is rapidly approaching and is nothing but human piety in its simplest form, the respect of life, of sorrow, of labor and all that constitutes humanity; finally, Mr. Björnstjern Björnson says:

Dogmas that henceforth cannot be rationally upheld are decaying, and the distance between religion and reality is being lessened. This transformation is going on slowly, but it will only cease when all sects shall have combined to render a common worship to the eternal power.

The causes of this return to religion to study it as a quasi-scientific emanation M. d'Alviella finds in the progress of science itself, which admits that it is powerless to furnish us with an explanation of the mystery of life. Even the boldest scientific thinkers admit that the theory of the universe reposes on one act of faith, namely, the undemonstrable affirmation that nothing can either create itself or be lost, although there is a growing school of physicists which declares that energy is dissipated in ether, and which doubts the tenets once universally prevalent as to the "indestructible atom."

THE SITUATION BEFORE THE THIRD DUMA.

"S. T. GR.," writing for the Polish *Tygodnik Ilustrowany* (Illustrated Weekly), of Warsaw, points out that the question whether the third Duma will be long-lived is considerably more important than the composition of that Duma. If the third Duma should perhaps be,—as is popularly believed,—the last Duma, "a liquidating Duma, a Duma that will not live to enact any law," or, if it enact any law, will not receive for it the sanction of the government,—the dominant political direction of

the chamber would be of no real consequence to the public. Seeking an answer, therefore, to the question of the longevity of the third Duma, "St. Gr." takes a survey of the situation in which the Duma will enter on its work.

In view of the failure of the attempts made in the second Duma to reckon with the government, the third Duma will leave off proclaiming the watchword: "Guard the Duma!" says the writer quoted. The possibility of compromise becomes, therefore,

almost excluded; a conflict with the government is, therefore, not precluded at the first opportunity in the event of a progressive and radical majority.

The wider internal and external political ground of Russia has, however, recently undergone a change, and the third Duma will appear in presence of the government under different conditions. Says the Polish journal:

The second Duma entered on its work in a period most propitious to the government,—the period when the party of the "true Russian people" flourished, together with its auxiliary divisions, the "Black Hundreds." That was the epoch of the greatest hopes of the creation of a powerful and compact monarchical party, of which the *Moskovskiya Vyedomosti* proclaimed wonders, writing in gigantic letters at the head of every issue: "First of all, however, it is necessary to disperse the second Duma!" The Right was strong and haughty. It promised to achieve miracles; to reform Russia's economic forces, to bring about a regenerated and modified third chamber. The Committee of Ministers lent a willing ear to these assurances, and sought an opportunity to dissolve the Duma. The fate of the Duma was prejudged for a few weeks before its close. At the present moment less hopes are doubtless placed by the government in the "Union of True Russian People." On the one hand, the authorities know that the "Union" has not been able to pacify Russia; on the other, the "Union" has recognized that it is itself in danger. It has been observed that the high bureaucrats are menaced from the emboldened "Unionists" with no less danger than from the most fiery revolutionists. The "Union of True Russian People" perhaps, therefore, still enjoys a considerable influence, but it has forfeited the charm that until recently it possessed over the authorities. In this respect the third Duma will find itself in a far more auspicious situation.

Taking a survey now of the general ground of foreign politics, which, as he observes, has weight in St. Petersburg, the writer says:

It is no secret that Emperor William is a headstrong foe not only of Polish autonomy, but also of a regenerating reform of the Russian state. What influence the German monarch has exerted indirectly and directly on St. Petersburg is also a matter of secrecy to no politician. We all know well that in the closing of the Duma can be discovered powerful influences of a purely external nature. But German friendship has proved a bad friendship. Berlin was an ex-

cellent ally as long as it was a question of advice and cheap promises. Hopes of pacifying the population were suggested, assurances of the procuring of new, convenient loans were given. But, neither has tranquillity prevailed, nor has it been possible to obtain a loan. The political "leaders" in Russia have begun slowly to rub their eyes. Thanks, however, to the shortsightedness of the oft-criticised Russian diplomacy, the state of things would undergo no change, and Germany would continue to enjoy the favor and attention of St. Petersburg. But at the other end of Europe, on the Thames, King Edward VII. has been laying wise and wide-reaching plans, and has been able through the clever and inexpressibly energetic Russian embassy to vie in strength with the Prussian representation on the Neva. Despite the endeavors of the German Ambassador, who has recently been recalled from St. Petersburg, England concluded a pacific treaty with Russia, at the same time bringing through her influence Russia and Austria nearer, and projecting an understanding with Italy. Together in contact with France there is being drawn, therefore, the perspective of the conformation of political combinations entirely new, and until lately, it would seem, impossible. At this moment Germany finds herself in as exceptional a situation as she has never been in during her existence as an empire. By the hand of Edward VII. the influence of Berlin will, therefore, be considerably removed from St. Petersburg. This circumstance alters considerably the situation in which will take place the commencement of the work of the third Duma. To this, finally, must be added the fact that the weakness of Russia does not at all lie in the interest of the diplomatically co-ordinate powers. Nay, considering Germany, they should rather care for the vigor of the Russian power. But the first condition of the vigor of the Russian state is a firm and true constitutional form of government.

It is impossible at this moment to foresee in what direction the inter-European political relations will develop; but judging from present appearances, it may be foretold that King Edward VII. will attain his ends. "In such conditions," says the writer in the *Tygodnik Illustrowany*, in conclusion, "the third Duma would find a firmer point of support and would afford a surprise to the world by holding out and obtaining constitutional authority in Russia."

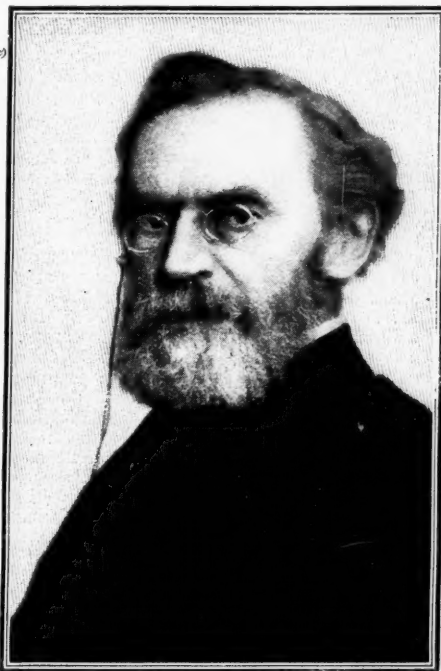
Facts are known in the history of parliaments of the lasting work of chambers the dissolution of which was already expected before their convocation.

THE NEW BOOKS.

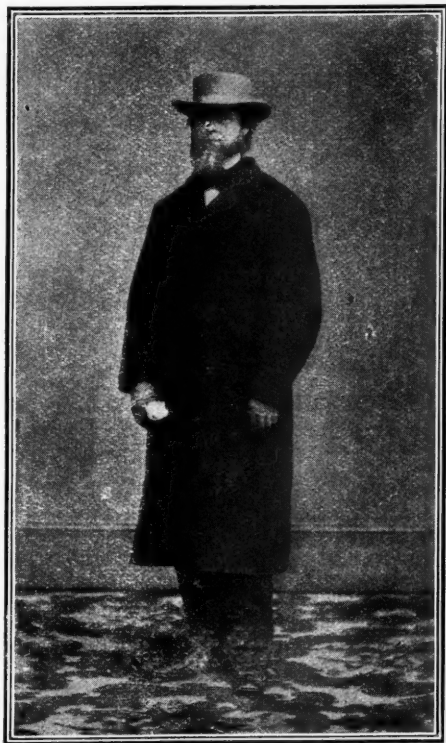
NOTES ON RECENT AMERICAN PUBLICATIONS.

BIOGRAPHY, REMINISCENCE, MEMOIRS.

"The Reminiscences of Carl Schurz" (McClure) fall naturally in two distinctive parts. The first volume is concerned with the early life of Mr. Schurz and his part in the German revolutionary movement of 1848, while the second volume is devoted entirely to the career of Mr. Schurz in America, beginning with his arrival in New York, in the year 1852. The publication of these memoirs in the form of magazine articles has attracted unusual attention, and especial interest attached to the account of the rescue of the revolutionist Kinkel, in which Schurz played an important part. There were many other dramatic incidents in his life as a German university student, but the really important part of his career was passed in the United States. He sympathized heartily with the anti-slavery movement, and took a leading part in the formation of the Republican party in the Middle West. His military service in the Civil War and his subsequent political activities as United States Senator from Missouri and Secretary of the Interior, under President



CARL SCHURZ.



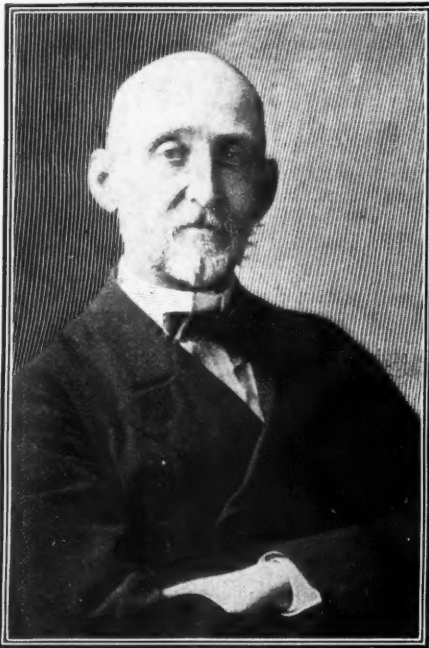
A WAR TIME PICTURE OF JAY COOKE.

Hayes, are matters of familiar history. Always influential among his German-American compatriots, many of whom had fought with him in the revolutionary uprising of 1848, Mr. Schurz rapidly gained prominence in American public life, and his unselfish devotion to principle soon made him a marked man in our national politics. He enjoyed intimate personal acquaintance with a remarkably large number of American soldiers and statesmen. For that reason and because of the clarity and grace of his literary style these volumes of reminiscences by Mr. Schurz are of surpassing interest.

It was fitting that Ellis Paxson Oberholtzer, biographer of Robert Morris, the financier of the American Revolution, should be intrusted with the preparation of the authorized life of Jay Cooke, who by common consent is recognized as pre-eminently the financier of the Civil War (Philadelphia: George W. Jacobs & Co., two volumes). This elaborate work not only deals minutely with the public aspects of Jay Cooke's career, but presents in a vivid way those personal characteristics which endeared the great financier to a remarkably wide circle of friends and acquaintances. Like Robert Morris, Mr. Cooke was a Philadelphian by adoption, having been born in Sandusky, Ohio. When

the Civil War began he was in middle life, having behind him twenty years of successful banking experience in the City of Brotherly Love. The house with which he had been connected in the early years of his business life in Philadelphia had had much to do with the financing of the Mexican War, and this experience was of much value to Mr. Cooke in the troublous times that followed the election of Lincoln. His first notable share in war financiering was in connection with the floating of the first \$50,000,000 Government loan, but important as his services were in that affair, they were overshadowed by the brilliant part that he played during the most serious crisis of the war in the famous "fifty-two" loan, for the success of which he was given unstinted credit at the time and for which his commissions, according to Dr. Oberholtzer, amounted to something less than one-sixteenth of 1 per cent. In the space at our command it is impossible to enter into the details of these tremendous transactions, nor can we relate the subsequent uncertain and in some respects unfortunate career of this great financial genius, culminating in the financial crash of 1873. Not a few of our readers have personal recollections of those times, and to all such we commend this exceedingly interesting and luminous account, which contains much information gleaned from correspondence and other manuscript sources. Dr. Oberholtzer has made a valuable contribution to the history of the Civil War period.

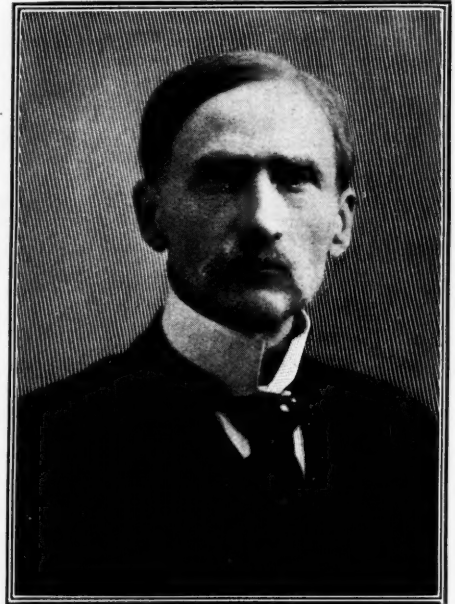
"The Spirit of Old West Point" is the well-befitting title of a volume of reminiscences by Gen. Morris Schaff (Boston: Houghton, Mifflin & Co.). General Schaff was a West Point cadet just at the outbreak of the Civil War.



CAPTAIN ALFRED T. MAHAN.

He gives a vivid picture of the scenes in the old Academy at that dramatic moment. General Schaff writes with a certain ease and informality which are admirably suited to convey his impressions of the impending conflict as it was foreshadowed in those days at the nation's Military Academy. Interesting portraits of Southern as well as Northern cadets who later won fame on the battlefield are joined with brilliant descriptions of impressive war scenes. Throughout the volume the element of human interest strongly predominates.

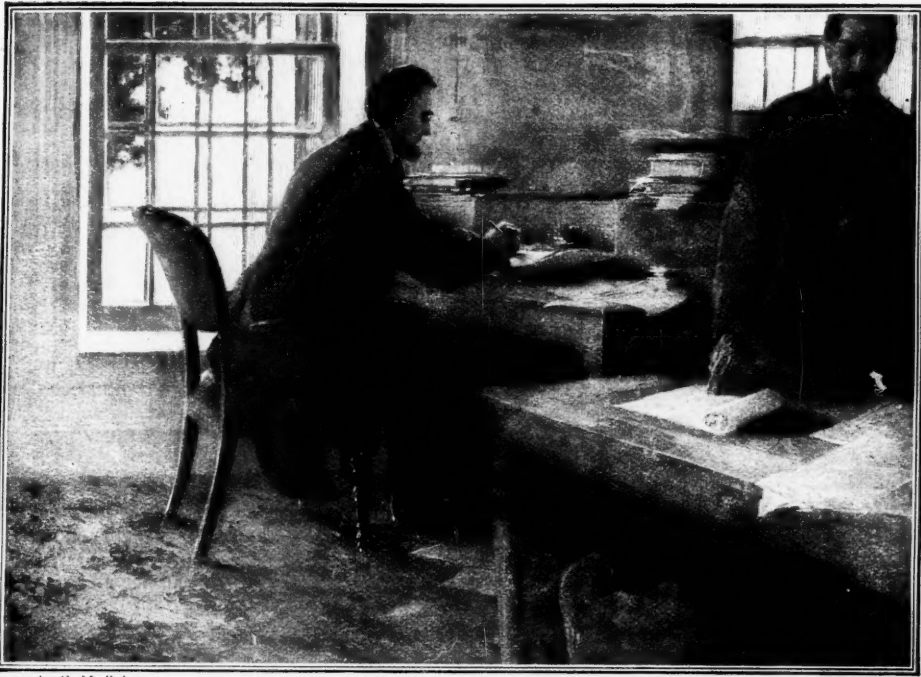
Some entertaining chapters of autobiography have been collected by Captain A. T. Mahan.



GEN. MORRIS SCHAFF.

under the title "From Sail to Steam" (Harpers). Captain Mahan's recollections of the old navy emphasize with startling distinctness the immense transformation that has been wrought within the past fifty years in the world's ideals of naval equipment. The author of "The Influence of Sea Power Upon History" has seen in his own lifetime changes which fairly revolutionized the methods of naval attack and defense. In the present volume he discourses upon some of these changes in an informal, almost conversational way, which gives to the book a unique interest.

For the benefit of the present generation the title "Lincoln in the Telegraph Office," which has been assigned to a volume of reminiscences by David Homer Bates (Century), seems to require a word of explanation. During the Civil War it was President Lincoln's daily habit to pay a visit to the War Department telegraph office, where he received the news from the front. In this way the martyr President came into close personal relations with the telegraph



Drawn by C. M. Relyea

PRESIDENT LINCOLN IN THE WAR DEPARTMENT TELEGRAPH OFFICE, WRITING THE FIRST DRAFT OF THE EMANCIPATION PROCLAMATION.

Frontispiece of "Lincoln in the Telegraph Office."

operators, and the impress that his personality left upon these men has been graphically portrayed by Mr. Bates in this volume of recollections. Aside from the revelations that he makes of Lincoln's relations with the military telegraph corps during war time, Mr. Bates imparts in his book a great deal of information concerning important military movements.

That brilliant young Kentucky orator, Richard Hickman Menefee, who has been characterized as "the young Patrick Henry of the West," is the subject of a somewhat elaborate biography by John Wilson Townsend (New York: The Neale Publishing Company). Menefee was born in 1809 and died in 1841. He became a member of the Kentucky Legislature and of the national Congress. His public career, though cut short, was of such promise that even to-day he is ranked as one of the three great Kentucky orators.

In the "Reminiscences of Richard Lathers," edited by Alvan F. Sanborn (New York: The Grafton Press), we have the record of sixty years of an active life spent in South Carolina, Massachusetts, and New York. Colonel Lathers, although a Southern man, was strongly opposed to secession. He strove earnestly for peace and co-operated with many Northern men in efforts to save the Union. The many friendships that he formed during and after the Civil War with men of prominence give a peculiar interest to his letters, which chiefly make up the present volume.

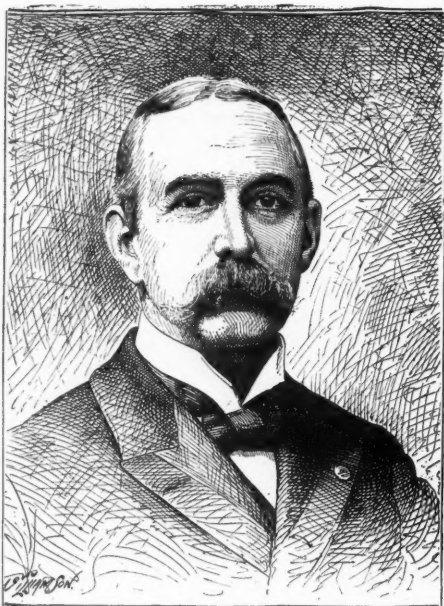
"John Harvard and His Times," by Henry C. Shelley (Boston: Little, Brown & Co.), will appeal with especial force, of course, to all Harvard graduates. It is a scholarly account of the career of one of those colonial Americans whose antecedents in the lapse of centuries had become more or less obscured. Harvard was a young English clergyman, a graduate of Emanuel College in the English Cambridge, who early emigrated to America and founded the great university which bears his name. How little was really known concerning Harvard up to recent times is indicated by the fact that in 1842 a reward of \$500 was offered for five lines of information about John Harvard in any capacity, public or private. The reward was never claimed. Within recent years, however, many facts have been brought to light, and such careful researches as those of Mr. Shelley have resulted at last in quite an accumulation of biographical material.

"Camping and Tramping with Roosevelt" is the title of a new book by John Burroughs (Boston: Houghton, Mifflin & Co.), which emphasizes the President's bent for natural history. The first part of the book tells the story of Mr. Burroughs' trip with the President to Yellowstone Park, in 1903, while the second, which gives an account of a visit to Oyster Bay, treats of Mr. Roosevelt more specifically as a nature-lover and observer. Mr. Burroughs tells us that the most interesting thing that he saw among the wonders of the Yellowstone Park

was the President himself, and he describes his manner of meeting people, his chats with old acquaintances of ranching days, and his camp-fire conversation and story-telling.

French history and life continue to supply us with the most fascinating of biographical works and memoirs. Four new works dealing with the latter half of the eighteenth century and the beginning of the nineteenth, the era of the great Napoleon, which have recently come from American presses, are: The two volumes of the "Memoirs of the Comtesse de Boigne" (Scribners), which contain much of literary and personal charm; "Julie de Lespinasse" (Holt), by the Marquis de Ségur, translated from the French by Charlotte Harwood; and "Napoleon Staal and Benjamin Constant," unpublished letters and memoirs (Putnams), edited by Madame Constant's great-granddaughter, the Baroness Elizabeth de Nolde, and translated from the French by Charlotte Harwood; and "Napoleon at the Boulogne Camp" (John Lane), being an account of Napoleon's fleet and his colossal plans for invading Great Britain in 1803, from unpublished documents collected and edited by Fernand Nicolay, translated by Georgina L. Davis, with plans, maps, and illustrations.

"Magda, Queen of Sheba," the alleged romance of that famous historic personage, from the ancient royal Abyssinian manuscript, "The Glory of the Kings," translated "for the first time into a European tongue," by Hugues Le Roux, and into English by Mrs. John Van Vorst, with illustrations by Michel Engueda Work, an Abyssinian artist, has been brought out by Funk & Wagnalls Company. The volume, which is half story, half study, has an undoubted literary charm as well as historic value.



DR. FRANCIS E. CLARK.

A very suggestive, thought-provoking volume, written especially for "those who are settling down in life and who are infected with the personal-history disease, also for those who are supersensitive and always being misunderstood," is Emily M. Bishop's "Seventy Years Young" (Huebsch).

Other biographical or semi-biographical works of recent issue are: "Father and Son" (Scribners), anonymous; "The Love Affairs of Literary Men" (Putnams), by Myrtle Reed; "The Recollections of Hermann Krüsi" (Grafton Press), edited by E. S. Alling; "Cæsar's Character" (Neale), by William Waddell; "The Life and Teachings of Thomas Huxley" (Broadway Publishing Company), by Irving Wilson Voorhees; a new edition of Ingersoll's "Abraham Lincoln" (John Lane), and Miss Clara Barton's "Story of My Childhood" (Baker & Taylor).

HISTORY AND DESCRIPTION.

Two new descriptive volumes on South America and the South Americans are to be especially recommended: Dr. Francis E. Clark's "The Continent of Opportunity" (Revell), and Dr. Albert Hale's "The South Americans" (Bobbs-Merrill). Dr. Clark took a long tour of the southern continent in the interest of the Christian Endeavor movement last year, visiting eight of the eleven republics. He has returned very deeply impressed with the possibilities for intellectual and material development in the southern continent. "In all material matters, . . . in her mines and manufactures, in her forests and fisheries, in her commerce and agriculture, in her schools and churches, in her politics and business, South America is to-day pre-eminently the continent of opportunity." Dr. Clark's volume is well illustrated. "The South Americans," while also discussing the material resources of the southern continent, devotes a good deal of attention to the people and particularly to their commercial relations with the United States. Dr. Hale is a member of the Geographical Society of Rio de Janeiro and other learned societies in Latin-America. Although, he remarks in his preface, this book has been written "with a North American pen, I have looked through South American eyes while writing it."

Prominent among the very few volumes written on the present Russian revolution which are worthy of more than casual reading is Mr. Kellogg Durland's "Red Reign in Russia" (Century Company). Mr. Durland, who spent the entire year of 1906 in riding horseback and tramping more than 20,000 miles in the distracted empire of the Czar, saw all conditions and phases of the conflict. He was presented at court, he saw the inside of a prison, messed with Cossack regiments, witnessed the opening of the first Duma, studied the famine belt, explored Siberia, and, in general, came as near to the heart and underlying causes of the vast social, political, and economic movement in Russia as it is possible for a foreigner to come. This book, which is illustrated with sixty photographs,—most of them taken by the author himself,—is written in a graphic, nervous, journalistic style which holds the attention throughout.

A series of original narratives of early American history is to be reproduced under the aus-



KELLOGG DURLAND AND HIS BRIGAND GUIDE AND INTERPRETER.—Mr. Durland to the Left.
Frontispiece of the "Red Reign in Russia."

pices of the American Historical Association (Scribners), the general editor of the series being Dr. J. Franklin Jameson, director of the department of historical research in the Carnegie Institution. This series, "Narratives of Early Virginia, 1606-1625," edited by President Lyon Gardiner Tyler, of the College of William and Mary, includes Captain John Smith's "True Relation" and the "Description of Virginia," and the account of the "Proceedings of the English Colony," which Smith and his friends drew up, together with other important documents of the period.

In an entertaining little volume entitled "When America Was Young" (Crowell) Tudor Jenks undertakes to tell, not merely what the colonists did, which has been told many times before, but how they lived while they were doing it. Until quite recently histories of the colonial period gave little information concerning the daily life and employment of the men who founded this nation. Mr. Jenks has tried to do for young people what we are sure will be appreciated by many older heads in writing this simple account of the manners and customs of the English, the Dutch, and other peoples who laid the foundations of the thirteen original States of this Union.

"Historic Landmarks of America as Seen and Described by Famous Writers," is a volume of selections collected and edited by Esther Singleton (Dodd, Mead & Co.). The subjects of these selections are not in all cases "historic landmarks." Frequently they are battles or other historical episodes. In one or two instances they are localities which make no pretensions to historic renown. In some cases, too, the places or episodes described are far more famous than the writers who describe them. On the whole, however, the selections are noteworthy, and well entitled to a place in a collection of this character.

Under the auspices of the Navy League of the United States there has recently been published "A Short History of the American Navy," by John R. Spears (Scribners). In view of the special interest in our navy aroused by the cruise about to be undertaken from the Atlantic to the Pacific Ocean, such a work as this should find many readers among both old and young. It may be profitably read in connection with Mr. Marvin's article on the Navy Department in this number of the REVIEW OF REVIEWS.

A writer who approaches the Indian problem from a somewhat novel point of view is Dr. A.

J. Fynn, of Denver University, who has written a volume on "The American Indian as a Product of Environment" (Boston: Little, Brown & Co.). While Doctor Fynn's work has especial reference to the Pueblo Indians of the Southwest, his chapters contain many suggestions which have force as related to the study of other Indian tribes. There is no attempt at technical discussion, but all of Doctor Fynn's comments are of interest to the general reader as well as to the student of anthropology.

In "Decisive Battles of the Law" (Harpers) Mr. Frederick Trevor Hill gives narrative studies of certain great legal contests which in one way and another have affected American history. Of the eight trials which he thus describes the most famous are the case of Aaron Burr, the Dred Scott case, the impeachment of Andrew Johnson, the Alabama arbitration, the Hayes-Tilden contest, and the Chicago anarchists' case. Mr. Hill has succeeded to a remarkable degree in vitalizing the court scenes which he describes. So well does he succeed in humanizing dry records of legal procedure that the readers become, as it were, listening spectators. Few writers upon legal topics have acquired so masterly a skill in narration.

"Northwestern Fights and Fighters" is the title given to a series of accounts of United States army operations against hostile Indians during the '70's and '80's (McClure). Most of these accounts were written by army officers who participated in the engagements described, and the entire volume was edited by Cyrus Townsend Brady.

"The Farmer's Boy" and "The Country School" are two companion volumes by Clifton Johnson, each illustrated by the author (Cro-

well). Together they give a faithful picture of rural life in this country during the middle and latter decades of the last century. Mr. Johnson has exercised unusual diligence and skill in the selection of material, and text and pictures alike contribute to an intensely realistic view of scenes and incidents that are fast fading into oblivion.

Mr. Charles Edward Russell's "Uprising of the Many" (Doubleday, Page & Co.) is a revised edition of a series of magazine articles that has appeared during the past year under the title "Soldiers of the Common Good." It is a comprehensive survey of the world movement for the democratization of industry. A new chapter on "Co-operative Experiments in America" has been added.

SOCIOLOGY AND SOCIAL PHILOSOPHY.

A very strong "story of social service" has just come from the pen of W. J. Dawson. This story, which is published by Revell, has been entitled by Dr. Dawson "A Prophet in Babylon." It is the account of the attempt by the minister of a fashionable church in New York to carry out literally the social humanitarian demands of the Christian gospel. Discouraged and wearied with his lack of success among the fashionable conventionalities of his rich church, this preacher launches a movement for the social regeneration of wicked Manhattan. The League of Universal Service is founded and great work accomplished. The whole story shows Dr. Dawson's keen analysis of character, his sympathetic and high-minded idealism, and his fine English style.

The bewildered parent who attempts in these days of highly specialized pedagogics to work out for himself a consistent and logical scheme of educational theory and practice and to apply it fearlessly in the upbringing of his own children is sadly in need of guide-posts along the way. So much of the literature of the subject is hopelessly technical and incomprehensible save by the man or woman expert in the methods and terminology of the new psychology, that the untrained mind of the average American parent may well despair of gaining help or enlightenment from it. It was to meet the needs of this average parent that Miss Annie Winsor Allen's little book, "Home, School, and Vacation" (Boston: Houghton, Mifflin & Co.) was written. Its suggestions, broadly conceived and evolved from a long and valuable experience as a teacher, cannot fail to lead to saner educational processes and to more fruitful results, if intelligently grasped and applied in the homes and schools of to-day.

That human society in the progress of the years has found new ways of sinning, just as it has devised new methods of transportation and a wholly new industrial system, is the general thesis set up by Prof. Edward A. Ross, of the University of Wisconsin, in "Sin and Society," (Boston: Houghton, Mifflin & Co.). It is not the purpose of Professor Ross to convict the individual sinner of wrong-doing, but rather to influence society's attitude towards the most flagrant forms of iniquity. Strange as it may seem, these modern methods of sinning against society have to be pointed out to the "good people" of our time. As Professor

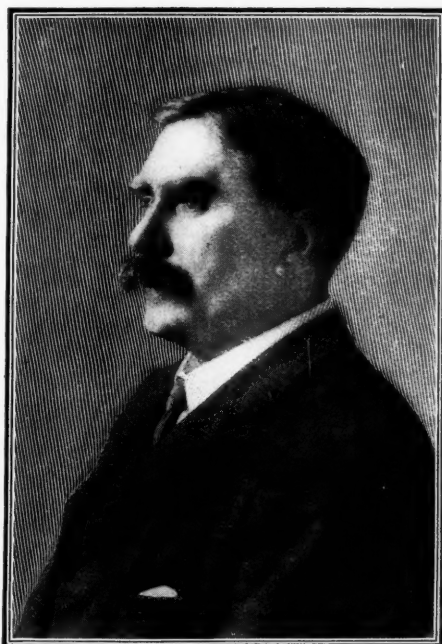


CHARLES EDWARD RUSSELL.

Ross puts it, we seem to need an annual supplement to the Decalogue. Franchise-grabbing, wholesale bribery, food adulteration, are types of modern iniquity that are so impersonal in character as to escape very largely the condemnation visited by the pious upon the head of the humbler old-fashioned malefactor,—such as the man who breaks into your house with a "jimmy." In a letter to the author President Roosevelt warmly commends the wholesomeness and sanity of this book.

To have attempted in this year of grace 1907, and in this Anglo-Saxon atmosphere, to publish a protest against "the tyranny of convention, the appetite for luxury, power, and strong sensation," is courageous enough. To have done this with a literary, seductive charm and a mellow philosophic appeal which really presents the joys of peaceful work, simplicity, and friendship in an apparently new and attractive guise,—this is a real achievement. It might have been expected of Arthur Christopher Benson, and the reader who expects is not disappointed in his latest volumes "The Altar Fire" and "Beside Still Waters" (Putnams). The same charm which characterized "The Upton Letters" and "From a College Window" characterizes also these books.

Two cleverly written little volumes of social philosophy are Caspar S. Yost's companion volumes, "The Making of a Successful Husband" and "The Making of a Successful Wife." Each consists of a series of letters, in one case from a father to his son, and in the other from the same father to his daughter. The volumes are published by Dillingham.



ARTHUR CHRISTOPHER BENSON.

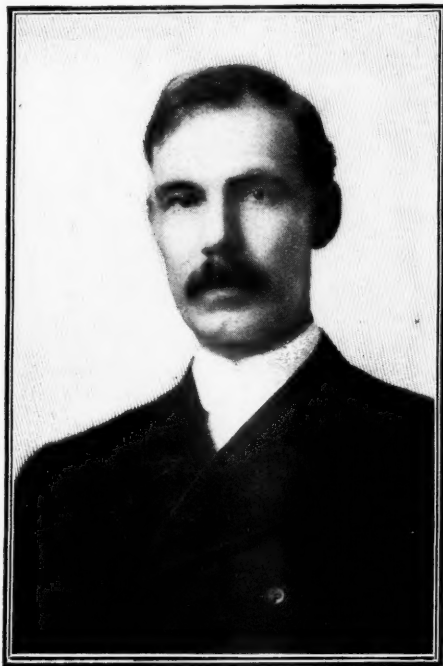
Mr. Montrose J. Moses has brought out through Mitchell Kennerley a helpful little suggestive volume: "Children's Books and Reading." With the aid of library experts and teachers Mr. Moses has compiled an interesting monograph embodying lists and bibliographies which is a plea for the broadening of children's reading.

Three recently issued volumes on socialism include: Austin Lewis' "The Rise of the American Proletarian" (Kerr & Co.), an exhaustive study of American industrial and labor conditions; Dr. J. E. Rossignol's "Orthodox Socialism" (Crowell), a scientific criticism; and a revised and enlarged edition, brought out by Longmans, Green & Co., of Thomas Kirkup's "Inquiry Into Socialism," originally published in 1887.

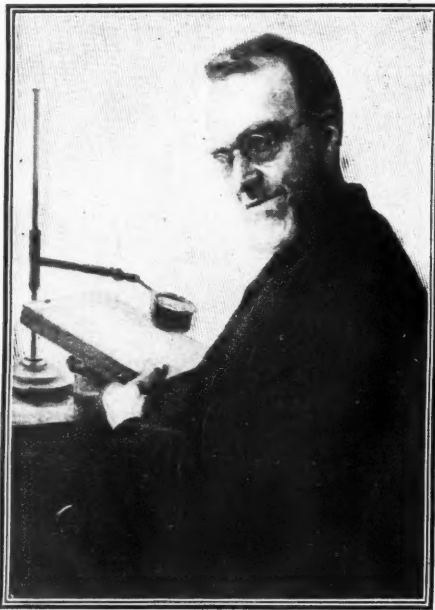
SOME OF THE SEASON'S ART BOOKS.

The art books this year allow one a wide choice. If one wishes yellow journalism, he may choose "On Arts and Artists," by Max Nordau, translated by W. F. Harvey, M. A. (George W. Jacobs). In it he may read such nonsense as the following, in the essay on Rodin:

"Sculpture, however, is an art which does not allow any Impressionism. It demands, according to its nature, a perfectly accurate formation of the whole figure, and simple honesty in reproducing the phenomenon. This can be proved by a theory of perception. Sculpture fills space and is of three dimensions; it addresses itself, in the first place, certainly to the eye, but also to the sense of touch. It calls for stereoscopic vision, and is, at least in theory, capable of further proof by a second sense."



PROF. EDWARD A. ROSS.



TIMOTHY COLE.

Any one who knows the horses on the frieze of the Parthenon will realize the falseness of this assertion, recognizing that those horses are not perfectly accurate formations, but are wholly impressionistic, giving the effect of horses in parade, but being very inadequate as models for a veterinary. The hair of Venus of Milo or of Zeus does not simulate real hair, but gives the impression of the masses of hair.

If one wants common sense in criticism, backed by expert knowledge, he may turn to the beautifully illustrated volume, "Painters and Sculptors," that Mr. Kenyon Cox puts forth this year, as a second series of "Old Masters and New" (Duffield). There he may read the following about Rodin, which is quite different from Nordau's estimate. Mr. Cox sees virtue in Rodin where Nordau sees evil.

"It is in some of these fragments of the great gates" (Gates of Hell), "these single groups or figures, that Rodin's very great talent shows at its best, that his qualities are most conspicuous and his defects least aggressive. Considered in themselves, and without reference to the purpose they were originally destined to fulfill as parts of a greater whole, they are among the most admirable things in modern art. One of them, the so-called "Danial," I remember well, and it seems to me typical of Rodin's art in its highest development. It represents a single female figure about half the size of life, fallen forward in an odd, crouching attitude, sufficiently expressive of utter despair or of extreme physical lassitude. . . . It is a fragrant, —a thing made to be seen near at hand, to be walked around, to be looked at from a hundred points of view, to be almost handled. It is not necessary that it should make pretence to monu-

mental composition or decorative fitness,—its beauty is intrinsic. It is a piece of pure sculpture, of modelling."

"The Story of American Painting," by Charles H. Caffin, illustrated (Stokes), is not scholarly like Mr. Cox's volume. He praises rather indiscriminately; but considering the difficulty of the subject, the writing of a more or less complete history of American art, he has put forth a volume that has surprisingly few mistakes in it, and in which the laymen will find a great deal of valuable information. It is rich in illustrations, having no less than 146, which are selected with a great deal of good judgment, and though a trifle large for the text pages, help to make the book a remarkably rich one.

"Famous Painters of America," by J. Walker McSpadden, with thirty-eight illustrations (Crowell), cannot be taken so seriously. It is anecdotal in the extreme, and gives the reader the idea that such accessories as a sociable wife, a waxed mustache, or a luxuriantly furnished studio, are important factors worthy of record in an artist's life.

A sumptuous volume is "Old Spanish Masters, Engraved by Timothy Cole, with Historical Notes by Charles H. Caffin, and Comments by the Engraver" (Century). With the exception of Henry Wolf, Mr. Cole is the only American wood-engraver who, having raised his art above the commercial, continues its practice as a branch of the graphic arts worthy of pursuit. He not only makes us feel that it is worthy of pursuit, but his prints convince us that it is an art worthy of being classed with copper engraving and etching. Mr. Cole no longer endeavors to imitate the technique,—the surface eccentricities,—of the painting he interprets. There is little to remind us of Velasquez in the "Head of a Young Man," or of El Greco in the "Portrait of the Daughter of El Greco." The engraver has simply translated into the language of line, the subject matter of the original. And those who love the beauty of line, and the mysterious effect of chiaroscuro will enjoy these works to the utmost, and recognize them as masterpieces of the graphic arts.

An attractive series of brochures containing some sixty half-tones of masterpieces in each gallery, is entitled "The Tate Gallery," "The Luxembourg Gallery," "The National Gallery," and "The Louvre Gallery" (Caldwell).

"The Comedy of Life" is a handsomely bound volume including a number of the drawings appearing in *Life* during the past year. It is issued by the Life Publishing Company.

NEW BOOKS OF POETRY.

Among the volumes of new verse particularly noteworthy at the present season are: Mr. Richard Watson Gilder's little collection, which he entitles "The Fire Divine" (Century), including more than sixty new poems; a new volume by James Whitcomb Riley, under the general head "Morning" (Bobbs-Merrill); a collection of Alfred Noyes' latest verse, entitled "The Flower of Old Japan" (Macmillan); a volume entitled "Light," by Joaquin Miller (Herbert B. Turner); and a collection of strong, passionate verse with considerable accomplishment and much greater promise, by George Sylvester

Viereck, which appears under the general title "Nineveh, and Other Poems" (Moffat, Yard).

Other volumes of verse, lyrical or dramatic, which have come to us for notice are: "Selected Poems," by Edward R. Taylor (A. M. Robertson, San Francisco); "Songs of the Average Man," by Sam Walter Foss (Lothrop, Lee & Shepard); "Jacob, and Other Poems" (The World Supply Company, New York), by Caroline M. Butterfield; "Said the Rose, and Other Lyrics," by George Henry Miles (Longmans, Green); "Under the Laurel" (Dodd, Mead), by Frederic Crowninshield; "Southern Lyrics," by Robert P. Hudson (Southern Lyrics Publishing Company, Nashville); "The Snow Bride, and Other Poems," by Daniel Hugh Verder; "Gypsy Verses," by Helen Hay Whitney (Duffield); "Songs After Noon," by Alvin B. Bishop (Richard Badger, Boston); "Through Painted Panes, and Other Poems," by Louis A. Robertson (A. M. Robertson, San Francisco); "Poems of Mystery," by W. Y. Sheppard (Shelly Printing Company, St. Louis); "For Her Sweet Sake," by James E. McGirt; "Renard the Fox," by William Madoc (Richard G. Badger); and "Pinafore Palace" (McClure), edited by Kate Douglas Wiggin and Nora Archibald Smith.

Besides these we have the third volume of "The Poems of Philip Freneau," which are being edited for the Princeton Historical Association by Frederick Lewis Pattee; "The Poems of Coleridge," in an illustrative, definitive edition (John Lane), edited with an introduction by Ernest Hartley Coleridge; a collection of "Hymns Every Child Should Know" (Doubleday, Page), edited by Dolores Bacon; "The Pocket Book of Poems and Songs for the Open Air" (Dutton), compiled by Edward Thomas; "Christmase Tyde" (Paul Elder), chosen and arranged by Jennie Day Haines; "Abelard and Heloise," by Ella C. Bennett (Paul Elder).

We have also received a number of dramatic poems or collections, including the poetical plays of William B. Yeats, Volume II.; "Sappho and Phaon," by Percy Mackaye; "The Changed Cross, and Other Religious Poems," compiled by Anson D. F. Randolph (Putnam); three volumes of the plays of Henry Arthur Jones,—"The Silver King," "The Dancing Girl," and "Joseph Entangled,"—published by Samuel French; pocket editions of Oscar Wilde's "Salome" and Whittier's "Snow-bound" (The Caldwell Company); new small editions of Burns' "Cotter's Saturday Night," Milton's hymn on the Nativity; Longfellow's "Building of the Ship," and Lowell's "Vision of Sir Launfal" (Paul Elder); Richard Hovey's "Holy Grail" (Duffield); "In the Harbor of Hope," by Mary Elizabeth Blake (Little, Brown); "The Woman in the Rain and Other Poems" (Little, Brown), and "Poems with Power to Strengthen the Soul" (Eaton & Mains), compiled by James Mudge.

HOLIDAY BOOKS AND NEW EDITIONS.

At each holiday season a generous supply of the excellent editions of the classics of all ages comes to the reviewer's table from the presses of T. Y. Crowell & Co. This fall season brings in the serviceable and delightfully bound flexible leather of the "Thin Paper Series" Victor

Hugo, in eight volumes ("Les Miserables," in two, "Toilers of the Sea," "The Man Who Laughs," "Hans of Iceland," "Bug Jargal," "Ninety-three," and "Notre Dame de Paris"), with frontispiece illustrations; Alexander Dumas, in ten volumes ("The Count of Monte Cristo," in two, "Marguerite de Valois," "Dame de Monsereau," "Three Musketeers," "Twenty Years After," "The Man in the Iron Mask," "Forty-five Guardsmen," "Louise de la Valliere," and "Vicomte de Bragelonne"), also with excellent frontispiece illustrations; Eugene Sue's "Wandering Jew," in two volumes; Charles Reade's "The Cloister and the Hearth"; Moore's poems, with frontispiece portrait and biographical sketch by Nathan Haskell Dole; Charles Lamb's "Essays of Elia," with frontispiece portrait and biographical sketch by Henry Morley; Barrie's "Little Minister," with frontispiece portrait of Miss Maude Adams; Milton's poems, with a biographical sketch by Dole; Dante's "Divine Comedy," with an introduction by Prof. Oscar Kuhns; and Mrs. Browning's poems, with frontispiece portrait. In cloth binding, we have received from the same publishers the complete works of Henry W. Thoreau, illustrated, in five volumes ("Excursions," "Week on the Concord," "Cape Cod," "The Maine Woods," and "Walden"); Richard Jefferies' works, in three volumes ("The Life of the Fields," "The Open Air," and "Nature Near London"); in the Handy Volume Classics, pocket edition, six volumes,—"Best American Tales" (Trent), "Meditations of Marcus Aurelius," "Religio Medici" (Browne), "Cape Cod" (Thoreau), "Little Flowers of St. Francis," and "Natural Law in the Spiritual World" (Drummond); three volumes in the Little Stories series,—"Stories from Morris" (by Madalen Edgar), "Stories from Early England" (by E. M. Wilmot-Buxton), and "Stories from Chaucer" (by J. Walker McSpadden); "The Rheingold," Wagner's poem translated in narrative form by Oliver Huckel; "The Greatest Fact in Modern History," being a speech by Whitelaw Reid, besides a number of other small, attractively bound classical stories appropriate for the holidays.

Other little holiday editions of note received are six of the Rubric series published by Duffield & Co., including "The Declaration of Independence," "Washington's Farewell Address," "Lincoln's Gettysburg Oration," "The Constitution of the United States," "The Rubaiyat of Omar Khayyam," and "The Canticle of the Sun of St. Francis of Assisi"; two little "Books of American Humor, Prose and Verse," also published by Duffield; "The Bible as Good Reading," by Senator Albert J. Beveridge (Henry Altemus); and "Betel Nuts," some of the philosophy of the Orient cleverly turned into English rhyme, by Arthur Guiterman, and published in very attractive typographical form by Paul Elder & Co.

A handsomely illustrated Christmas story, representing Bible history touched with the imagination of a clever narrator, is Dr. James M. Ludlow's "Jesse ben David, a Shepherd of Bethlehem" (Revell). The illustrations and border decorations make the volume a particularly appropriate holiday book.



Illustration (reduced) from title-page of "Son Riley Rabbit and Little Girl."

THE SEASON'S BOOKS FOR CHILDREN.



Illustration (reduced) from "Childhood."

WE welcome especially three books this year: "Abbie Ann," "Captain June," and "The Millers at Pencroft." Of these, "Abbie Ann," by "George M. Martin," illustrated by C. M. Relyea (Century Company), is the most artistic, the pages scintillating richly with descriptive gems. The author of "Emmy Lou" not only shows that she understands her art thoroughly, but, like Mrs. Burnett, she lets the facts move the reader, and abjures adjectives. The description of Abbie Ann's ride on the flat-car is a perfect gem of direct narrative. Her similes always draw the complete picture. Abbie Ann's father has just told her that he is going to send her away from Coal City to school; "There was a pause, during which there seemed to be no support under Abbie Ann; there was a singing in her ears and a dryness in her mouth. Coal City meant all that she knew."

While in "Captain June" (Century Company) Mrs. Alice Hegan Rice does not write with quite the same firmness of touch that characterizes the work of the author of "Emmy Lou," she, like Mrs. Martin, throws her picture upon the screen in clear, sharp, light and shadow. When "Captain June" (short for junior), who is five years old, visits Japan, he sees the jirikishas, the wooden shoes, and the gorgeous dresses of purple and gold, and the fans,—the simple comment is made,—"If Cinderella, and Jack the Giant Killer, and Aladdin, and Ali Baba had suddenly appeared, June would not have been in the least surprised." When he sees his mother cry, like Mrs. Martin, the author makes note of that unstable feeling that possesses us in great grief or fear,—"The one unbearable catastrophe to him was for his mother to cry. It was like an earthquake, it shook the very foundation on which his joys were built."

And again, when his mother tells him that she must go at once to his sick father, we read: "The earth seemed suddenly to be slipping from under June's feet, he clutched at his mother's hand,—'I'm going, too,' he cried."

We would strongly recommend "The Millers at Pencroft," by Clara Dillingham Pierson, illustrated by Charles F. Davidson (E. P. Dutton & Co.), to any one cultivating the proper style of writing for children. It is somewhat similar to E. Nesbit's "Sir Toady Crusoe," which we recommended last year, only it is less adventure-some and more probable; but there is the same wholesome humor throughout the book, and the same direct style. Mrs. Pierson is not self-conscious when making her points, and she does not multiply their possibilities. Such little bits as the following, show the sureness of her touch: "Don't you know that mother always says people

are more likely to say 'yes' to things when their stomachs are good and full? We'll just wait until he comes out into the sitting-room afterward."—"There was a long silence, broken only by the sound of Helen's scissors, and the noise Jack made in rubbing out a mistake. He was writing with a pencil."



Cover design (reduced).



Illustrations (reduced) from "Father and Baby Plays."



Illustration (reduced) from
"Abbie Ann."



Illustration (reduced) from
"The Russian Fairy Book."

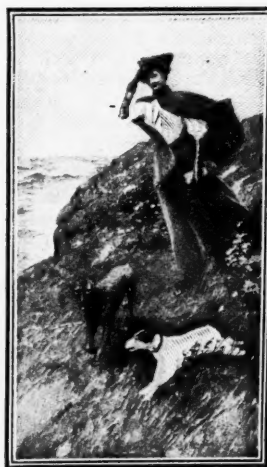


Illustration (reduced) from
"Beautiful Joe."

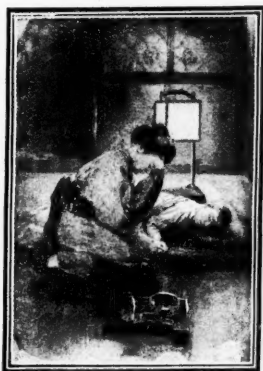


Illustration (reduced) from
"Captain June."

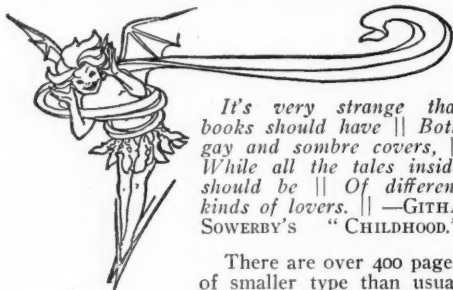


Illustration (reduced) from
"The Olive Fairy Book."



Illustration (reduced) from
"Wee Winkles and Her
Friends."

TWICE TOLD TALES—FAIRY TALES.



It's very strange that books should have || Both gay and sombre covers, || While all the tales inside should be || Of different kinds of lovers. || —GITHA SOWERBY'S "CHILDHOOD."

Illustration (reduced) from "Midsummer Night's Dream."

There are over 400 pages of smaller type than usual in "The Old Testament for Children," by Harriet S. Blaine Beale, illustrated by E. Roscoe Shrader, and Herbert Moore (Duffield & Co.). For a book which might be kept in a household and referred to every other Sunday, the volume seems well compiled, though we think the author has unnecessarily preserved the phraseology of the Bible. We would suggest that since her narrative is in the language of to-day, the conversation should be also; it would then seem truer to the child reader.

Professor Church, in his new setting of "The Iliad for Girls and Boys" (Macmillan Company), shows that he understands better how to rehearse the classics for childish minds.



Illustration (reduced) from "The Iliad for Boys and Girls."

Lucy Fitch Perkins contributes twelve colored illustrations in the edition of "Midsummer Night's Dream for Young People" (F. A. Stokes Company). Her conception of Puck is one of the most sprightly effigies of this much pictured fay.

In the "Russian Fairy Book," by Nathan Haskell Dole, the illustrations by Bilibin (Thomas Y. Crowell & Co.), allure on account of their novelty. However, in the tales there is little or no freshness of subject-matter or style. We might be reading Grimm over again.

"The Olive Fairy Book," edited by Andrew Lang, is beautifully illustrated by H. J. Ford (Longmans, Green & Co.). The stories, as usual, are from many sources, France, Norway, and India, and at times are gruesome and without moral, to an extent that prohibits their being wholesome reading for very young children. What sense can there be in a story like "The Silent Princess," in which the hero wins the princess because, as a spoilt child, he flings his ball at an earthen pitcher an old woman is car-

rying to the well, and breaks it, repeating this escapade a second time?

For children who have not already been presented with the standard fairy books, the very best one (because the stories are tried ones, with which no child should be unfamiliar) is "The Twenty Best Fairy Tales," by Andersen, Grimm, Miss Muloch, and others; illustrated by Lucy Fitch Perkins (F. A. Stokes Company).

Kate Dickinson Sweetser edits this year "Boys and Girls from Thackeray," illustrated by George Alfred Williams (Duffield & Co.).

"Famous Stories Every Child Should Know," edited by Hamilton W. Mabie (Doubleday, Page & Co.), is an excellent group of stories by Dickens, Ruskin, Hawthorne, and others. These are stories every child *should* know. It is a great pity the book is not illustrated.

HALF HISTORY AND HALF FICTION—BOYS' BOOKS.



I salute my weeping mother, || And I bid the cook goodbye, || As I buckle on my armor, || And meander out to die. || —JOHN CARPENTER'S "IMPROVING SONGS FOR ANXIOUS CHILDREN."

Since the Jamestown Exposition has interested many in the historical attractions of Virginia, it was a good idea of Everett T. Tomlinson to have the "Four Boys in the Land of Cotton," illustrated by H. C. Edwards (Lothrop, Lee & Shepard Company), visit the land of Dixie.

Mrs. Mary P. Wells Smith has evidently made a faithful study of the history of Deerfield, Mass., and her latest book, "Boys of the Border," illustrated by Charles Grunwald (Little, Brown & Co.), tells many incidences of the French and Indian Wars in northwestern Massachusetts. The general boy reader will, however, we fancy, rather protest at the overloading of details and the sad record of slaughter in the ending chapters.

It was not a bad idea of R. H. Hall to take a hint from the success of Stanley Waterloo's story of "Ab," and Jack London's "Before Adam," and prepare for small boys a story of the stone-age man as he has in "Days Before

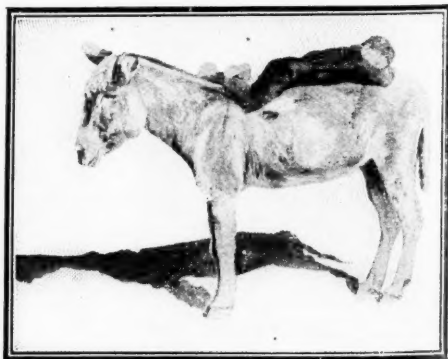


Illustration (reduced) from "Western Frontier Stories."

History," illustrated (T. Y. Crowell & Co.), and there are many things in it about living in caves and pits, and dressing in skins, and making flint arrows, that may introduce a boy to the fascinating realm of ethnology. The writer has a good subject, although his handling of it is not of the best.

"A Little Prospector," by Edith M. H. Baylor, illustrated from photographs (Lothrop, Lee & Shepard Company), is the story of little Harry Baldwin, who found a "Gold Mine and a Gila monster all in one day," and lots of other things, in the mining country of our Southwest.

From the Century Company comes "Western Frontier Stories Retold from St. Nicholas," by Joaquin Miller, Maurice Thompson and others.

GIRLS' BOOKS.



*In evenings of the summer days
|| When I walk out on our high-
ways || In my new dress, I must
confess || The little boys quite stop
their plays, || And swallow fast
in mild amaze. || —"IMPROVING
SONGS."*

Miss Nina Rhoades, the author of the "Brick House" series, gives us this year the realistic story of "Marion's Vacation," and "Priscilla of the Doll Shop," illustrated by Bertha G. Davidson (Lothrop, Lee & Shepard Company).

"Theodora," by Katharine Pyle and Laura S. Porter, illustrated by William A. McCullough (Little, Brown & Co.), is only about eight years old, and her adventures at St. Mary's School, New York, are full of the minor trials of childhood.

"Six Girls and the Tea Room," by Marion Ames Taggart, illustrated by William F. Stecher (W. A. Wilde Company), is a companion book to last year's "Six Girls and Bob." All will be glad to renew the acquaintance of Margery, Happie, Gretta, and the rest of the inmates of the Patty Pans.

Other girls' books of this year are: from Lothrop, Lee & Shepard Company, "Helen Grant, Senior," by Amanda M. Douglas, "Dorothy Dainty at Home," written and illustrated by Amy Brooks; from W. A. Wilde Company, "Cross Currents," by Eleanor H. Porter; from Little, Brown & Co., "Dorchester Days," by A. G. Plympton, "Betty Baird's Ventures," by Anna Hamlin Weikel, "The Next Door Morelands," by Emily Westwood Lewis; from

Henry Holt & Co., "The Luck of The Dudley Grahams," by Alice Calhoun Haines; and from George W. Jacobs & Co., "The Four Corners in California," by Amy E. Blanchard.

All will be sorry to hear that the "Little Colonel's Knight Comes Riding," by Annie Fellows Johnston, illustrated by Ethelred B. Barry (L. C. Page & Co.), is the last of "The Little Colonel" series.

In "Ruth Erskine's Son," illustrated by Louise Clark (Lothrop, Lee & Shepard Company), "Pansy" does not do so well in depicting her characters grown-up as did Louise Alcott. Ruth Erskine is now a widow, and her son marries a divorced woman. This is hardly a wholesome book for young people.

VERSES.



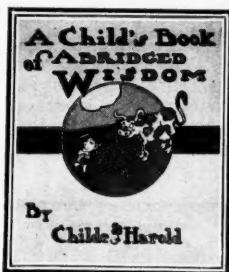
*In winter, when the field is
white || And all the flowers are
dead, || My mother sings a song
to me || When I am safe in bed;
|| —"CHILDHOOD."*

"Another Book of Verses for Children" (Macmillan Company), gives an abundance of riches by the very best poets! It would be difficult to get a more valuable edition for household use.

Wilbur Nesbit's "Land of the Make-Believe, and Other Christmas Poems" (Harper & Bros.), tells of the joys and trials of childhood, and

many of the author's conceits like "Poor Old Mr. Green," "The Longest Day," "Not Coming," and "The Little Things," are worthy of versification, but taking it as a whole the book is a trifle tiresome.

On first opening "Improving Songs for Children," by John and Rue Carpenter (Duffield & Co.), we are in-



Cover design (reduced).

clined to place the book among the very best of the season's and feel that the author and illustrator have arrived at a style perfectly adapted for the composing of children's books. The illustrator has abandoned the Boutet de Monvel style, and uses a free pencilling in caricature that is in perfect keeping with the flippant, sceptical spirit of the verse. The illustrations of "Good Ellen" and "Spring" are brimful of go and spirit, and the verses, portions of which we have quoted in our sub-headings (together with figures from the illustrations) are terse and pointed. True as this is, there is something lacking in the pictures, and especially in the verses that makes the book fail to be genuinely suited to the child reader. If this book were published in a small form (it is an oblong quarto), to be classed with Oliver Herford's witty brochures, it would seem to us more appropriate in every way.

"A Child's Book of Abridged Wisdom," by "Childe Harold," comes from Paul Elder & Co.

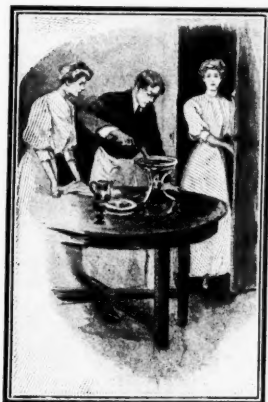


Illustration (reduced) from "The Little Colonel's Knight Comes Riding."

PICTURE BOOKS—ANIMAL BOOKS—FOR VERY
LITTLE ONES—HUMOROUS.



"I have my bread and milk at eight, || And lessons at eleven." || "My birthday is a week to-day, || And then I shall be seven." || "I hope you'll come and see me soon." || "I'll come to-morrow afternoon." || —"CHILDHOOD."

"Childhood," illustrated by Millicent Sowerby, and written in verse by Githa Sowerby (Duffield & Co.), comes to us via England, and will be valued mostly for its pictures, which, when made in color, as the "Morning Call," and "Faded Tapestry," are refreshing and charming. We have printed several of the outline illustrations alongside of our subheadings.

"The Santa Claus Club," with pictures and verses by L. J. Bridgman (H. M. Caldwell Company), is gory with carmine, but no doubt may attract some children on account of its liveliness.

It was clever of Miss Emilie Poulsson to compile a book consisting of pictures, verses, music and notes, all concerned with "Father and Baby Plays," illustrated by Florence E. Storer, music by Theresa H. Garrison and Charles Cornish (Century Company). The verses which Miss Poulsson has written are most uneven. "To Mill and Back" is as good as our classic nursery rhymes, but other verses are inane and faltering in rhythm. The illustrations, however, are spirited and above the average.

Teddy Bear pictures are in order, and the "Teddy Bear A, B, C," by Laura Rinkle Johnson, illustrated by Margaret Landers Sanford (H. M. Caldwell Company), is more original than usual in the wedding of the letter, the verse and the pictures, though the bears' coats look rather prickly.



Frontispiece (reduced) from "The Bed-Time Book."



Illustration (reduced) from "Childhood."

The engravers, The Beck Engraving Company, and the printers, S. H. Burbank & Co., deserve special mention for their clean and satisfactory work in connection with the illustrations of the "Bed-Time Book," by Helen Hay Whitney, illustrated by Jessie Wilcox Smith (Duffield & Co.), the most attractive picture book of the year. There is a strain of seriousness, we might almost say sadness, underlying the expression of Miss Smith's characters, that the young folks may not find attractive, though they may not penetrate deep enough into the philosophy of art to know the cause. But artistically these pictures would be hard to equal.

An enlarged edition of "Beautiful Joe," by Marshall Saunders (Griffith & Rowland Company), illustrated by Charles Copeland, will no doubt find a ready sale.

All rabbit books challenge comparison with "Uncle Remus," and we are apt to be prejudiced and think that no story of the kind can ever equal those inimitable chronicles, but for the child of this decade who has not read "Uncle Remus," "Dorothy's Rabbit Stories" by Mary E. Calhoun, with pictures by E. Warde Blaisdell (T. Y. Crowell & Co.), will prove fascinating.

"Son Riley Rabbit and Little Girl," by Grace McGowan Cooke (F. A. Stokes Company), is much more original in conception than the imitations of "Alice in Wonderland." It is written with a conviction that makes it "seem true," a quality enhanced by the photographs from life which illustrate the book.

In selecting books for very little children to read, one has not a very great choice, as few authors understand the difficult task of writing for the immature mind. But Gabrielle E. Jackson, the author of "Wee Winkles and Her

Friends," illustrated by Rachael Robinson (Harper and Bros.), has mastered this art, and her story deals with simple incidents, in simple language, well suited to hold the interest of the little readers.

This year "Mr. Golliwogg" (Longmans, Green & Co.) schemes to give "the girls" a surprise, and dressing up as Santa Claus, he enters the house by way of the chimney, but slipping, he makes an ignominious entrance into the room on his head, smashing the tree, and his disguise is discovered. But to make up for this maladroitness, he takes "the girls" for a ride over the moon in his reindeer sleigh, and they return to find that the true Santa Claus has left them a new Christmas tree and crammed their stockings. All of which adventures are spiritedly told in the animated verse and pictures of Bertha and Florence K. Upton.

A new edition of "The Happy Heart Family," by Virginia Gersen (Duffield & Co.) is highly welcome.

Other children's picture books are "Jack, the

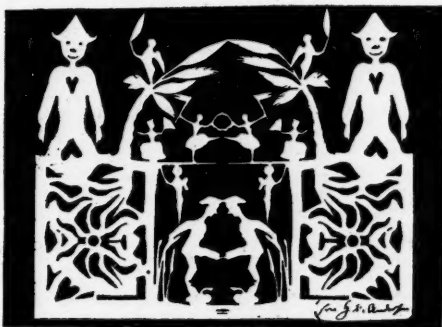


Illustration (reduced) from "A Child's Story of Hans Christian Andersen."

to read how wheels "go wound," so that any book on mechanical things is apt to be welcome, but it is not often that a boy's book is so comprehensive both in text (260 pages) and in illustrations (over 100 halftones), as is "The Boys' Book of Locomotives," by J. R. Howden (McClure Company). Verily, the small boy of to-day is lucky in the riches the publishers prepare for him.

A scientifically arranged book is "Electricity for Young People," by Tudor Jenks (F. A. Stokes Company).

"What Shall We Do Now?" (F. A. Stokes Company) gives no less than 500 games and pastimes, so it is probable that the authors, Dorothy Canfield and others, used the scissors in editing the book, as some of the suggestions rather savor of English sources. But no doubt such a book will be the cause of many hours of enjoyment for the children, thus keeping them out of mischief, for which parents will be justly thankful.

In "A Child's Story of Hans Christian Andersen," by Paul Harboe (Duffield & Co.), we have the biography, simply told, of the writer of the loveliest stories ever written for children. His own sad life brightened by his Aladdin's-Lamp-imagination, was in itself a rare child's story, and well worthy of record.

NATURE'S WONDERS—O'ER LAND AND SEA.



*I wander far and unrestrained,
Myself set free, my fields regained,
When in the Spring, the South winds
sing, || And I by birds am entertained. ||* —"IMPROVING SONGS."

A comparatively new field for a child's book is explored in "Water Wonders Every Child Should Know,—Little Studies of Dew, Frost, Snow, Ice, and Rain," by Jean M. Thompson, illustrated from photographs by Wilson A. Bentley (Doubleday, Page & Co.). The author's style is not quite up to the subject or to the pictures, but the photographs from nature are fascinating in the extreme.

We question whether the child himself will be interested in Clifton Johnson's one hundred photographs of child-life in New England, which strung together with voluminous text, is published as the "Farmer's Boy" (T. Y. Cro-



Illustration (reduced) from "The Golliwogg's Christmas."

Giant Killer, Jr." by Dwight Burroughs (G. W. Jacobs & Co.); "Mother Goose's Puzzle Pictures" (Henry Altemus Company); "Us Fellers," by Izola L. Forrester (George W. Jacobs & Co.); and "According to Grandma," by Alice Calhoun Haines (F. A. Stokes Company); "Little Boy Pip," by Philip W. Francis, from Paul Elder & Co.

GAMES—WHEELS THAT "GO WOUND"— "BIOGRAPHY."



*I'll write down every single thing
that children want to know, || And
answer all the questions that bother
grown-ups so; || And when it's
done I'll tie it up as safe as safe
can be, || And send it round the
world for all the other boys to see.
||* —"CHILDHOOD."

"I want to see the wheels 'go wound,'" is the natural desire of all children; and as they grow older they love

well & Co.). Generally children like more excitement or mystery, but grown-up readers will find these photographs, even if just a bit posed, faithful pictures of "Childhood's Simple Life."

Periodically there appear in the newspapers, paragraphs to the effect that some one has located Robinson Crusoe's Island at some other site than Juan Fernandez Island, but the initial chapter in "Island Stories Retold from St. Nicholas" (Century Company), holds to the theory that Juan Fernandez Island is the true spot described by Defoe. This book contains other island stories that every normal boy will



Illustration (reduced) from "The Twenty Best Fairy Tales."

read with avidity, and if he hears of the companion book that the publishers issue,—"Sea Stories,"—it will be a strange child indeed who

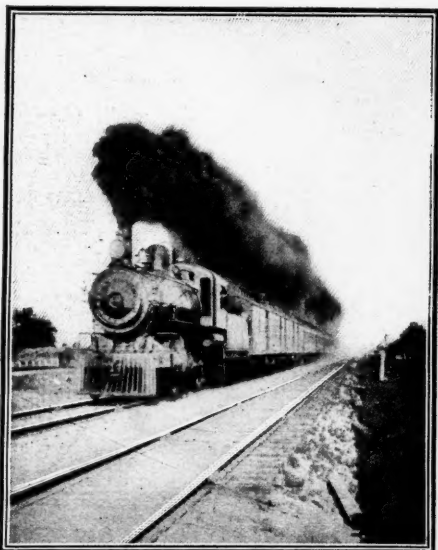


Illustration (reduced) from "The Boys' Book of Locomotives."

would not want to possess as well "Stories of Strange Sights," the third book of the series.

A sensible book of travel is "Roy and Ray in Mexico," by Mary Wright Plummer (Henry Holt & Co.), which tells of the journey of two children of eleven through the cities of Mexico. It is very proper that our young people should be posted upon the attractive features and the rich resources of our "Southern Neighbor,"—such books are highly welcome.

Clarence Hawkes, the author of "Little Water Folks, Stories of Lake and River," illustrated by Charles Copeland (Thomas Y. Crowell & Co.), is not fearsome of being dubbed a nature faker, for he tells us that "Willow Brook" was posted with the sign, "All small boys are strictly forbidden fishing in this brook. Signed, Mr. Blue-belted King Fisher."

Nearly 400 pages of closely printed descriptions fill "The Wonder Book of Volcanoes and Earthquakes," by Edwin J. Houston (F. A. Stokes Company).



Illustration (reduced) from "The Happy Heart Family."

